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DEPARTMENT OF STATE APPROPRIATIONS AUTHORIZATION, FISCAL YEAR 1973

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HEARINGS

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

NINETY-SECOND CONGRESS

SECOND SESSION

ON

LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR THE DEPARTMENT OF STATE FOR FISCAL YEAR 1973

MARCH 8, 9, 10, 1972

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DEPARTMENT OF STATE APPROPRIATIONS AUTHORIZATION, FISCAL YEAR 1973

WEDNESDAY, MARCH 8, 1972

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 4221, New Senate Office Building, Senator J. W. Fulbright (chairman), presiding.

Present: Senators Fulbright, Church, Symington, Pell, Aiken, Case, Cooper, Javits, and Scott.

The CHAIRMAN. The committee will come to order, please.

OPENING STATEMENT

The committee is meeting this morning to begin hearings on legislation to authorize appropriations for the Department of State for the 1973 fiscal year.

Upon the initiation of this committee, a provision was included in the Foreign Assistance Act of 1971 requiring periodic authorization of appropriations for both the Department of State and the United States Information Agency. The committee initiated this requirement for two reasons; to carry out more effectively the oversight responsibilities imposed on it by the Legislative Reorganization Act and to further the process of restoring Congress' proper role in the making of foreign policy.

The committee cannot consider this authorization request in isolation but must weigh it within the context both of our overall system for the making and conduct of foreign policy and of our Government's difficult fiscal situation. The 1973 authorization request for the Department of State, including contributions to international agencies, is for $563 million, approximately one-tenth of the total amount listed in the budget under the category of "International Affairs and Finance." There are some 3,400 State Department employees abroad engaged in regular diplomatic and consular activities compared with a total of some 24,000 for all Government agencies. That is outside of the military, of course. The other agencies represented abroad span the alphabetical spectrum from the Atomic Energy Commission to the Veterans' Administration. And the number of agencies with a voice in the making of foreign policy here in Washington is equally as diverse. It appears that over the years the foreign affairs apparatus has, like Topsy, "just growed" with no single focal point for direction and control.

During these hearings we will hope to develop information on: the size, scope and cost of the operation of the machinery for the making and conduct of foreign policy; how the State Department's activities relate to activities of other agencies which operate abroad; and, what remedies may be needed to make and carry out foreign policy in a more effective manner.

The committee will expect the witnesses to justify every proposed activity of the Department of State. Unfortunately for the taxpayers, it is far easier to start a program than to stop one. There is no more difficult task in Washington than the elimination of outmoded programs or practices. But this committee would be failing to carry out its responsibilities to the public if it failed to examine the Department's request with the most careful consideration.

(Draft bill, section by section analysis and charts follow:)

DRAFT BILL To authorize appropriations for the Department of State, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Department of State Appropriations Authorization Act of 1972."

SEC. 2. For the Department of State to carry out authorities, functions, duties and responsibilities in the conduct of the foreign affairs of the United States, and other purposes authorized by law, there are hereby authorized to be appropriated for fiscal year 1973 the following amounts:

(*a*) Under the heading "Administration of Foreign Affairs", $289,453,000;

(*b*) Under the heading "International Organizations and Conferences", $188,263,000;

(*c*) Under the heading "International Commissions", $18,226,000;

(*d*) Under the heading "Educational Exchange", $59,200,000; and

(*e*) Under the heading "Migration and Refugee Assistance", $8,212,000.

SEC. 3. In addition to such amounts as are authorized by Section 2, there are authorized to be appropriated for fiscal year 1973 such additional or supplemental amounts as may be necessary for: (a) increase in salary, pay, retirement, or other employee benefits authorized by law, and other nondiscretionary costs; and (b) programs or other activities authorized by law subsequent to the date of enactment of this Act.

SEC. 4. Appropriations made pursuant to authorizations provided in this Act may be made without fiscal year limitation.

SEC. 5. Section 407 of the Foreign Assistance Act of 1971 (P.L. 92-226) shall not apply to or affect in any manner permanent appropriations, trust funds, and other similar accounts administered by the Department of State as authorized by law.

SECTION-BY-SECTION ANALYSIS

Section 2.—This section provides an authorization of appropriations for the Department of State in accordance with the provisions of Section 407(b) of the Foreign Assistance Act of 1971. Funds are authorized to be appropriated under this legislation for the fiscal year ending June 30, 1973.

Subsection (a) authorizes appropriations under the heading "Administration of Foreign Affairs." This category provides the necessary funds for the salaries, expenses and allowances of the officers and employees of the Department, both in the United States and abroad. It includes funds for executive direction and policy formulation, conduct of diplomatic and consular relations with foreign countries, conduct of diplomatic relations with international organizations, domestic public information activities, central program services, and administrative and staff activities. Further, it provides funds for such activities as the acquisition, operation and maintenance of facilities, including office space and living quarters for American staff abroad; funds for relief and repatriation loans to United States citi-

zens abroad and for other emergencies of the Department; and payments to the Foreign Service Retirement and Disability Fund.

Subsection (b) authorizes appropriations under the heading "International Organizations and Conferences." This category provides the necessary funds for United States contributions of its assessed share of the expenses of the United Nations, eight specialized agencies and the International Atomic Energy Agency, six Inter-American organizations, six Regional organizations, and fifteen other international organizations. The United States membership in these organizations, which has been authorized by treaties, conventions or specific Acts of Congress, constitutes an obligation for payment of its share of the assessed budgets pursuant to the basic statutes or constitutions of the international agencies. Also included are the necessary funds for the missions which represent the United States at the headquarters of certain international organizations in which the United States has membership or participates pursuant to treaties, conventions or specific Acts of Congress. These missions maintain liaison with the international secretariats and with the delegations of other member governments at the organizations' headquarters. In addition, provision is made for funding of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, and for contributions to new or provisional organizations. Included also are the expenses of Congressional delegations to international parliamentary meetings.

Subsection (c) authorizes appropriations under the heading "International Commissions" which provides funds to enable the United States to fulfill its treaty and other international obligations with Mexico, including the expenses and operations of the International Boundary and Water Commission, United States and Mexico; project investigations and construction on the United States-Mexican border. Also included are the authorization of funds for the American Sections, International Commissions, in accordance with existing treaties for expenses of the International Boundary Commission and the International Joint Commission. Appropriations are authorized for expenses, including contributions, to enable the United States to met its obligations in connection with participation in international fisheries commissions pursuant to treaties or conventions, and implementing Acts of Congress.

Subsection (d) authorizes appropriations under the heading "Educational Exchange" which provides funds to enable the Secretary of State to carry out his functions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the Act of August 9, 1939. Funds appropriated under this authorization provide for the educational and cultural program of the Department of State, including the exchange of persons, aid to American sponsored schools abroad, and cultural presentations. Included also is the authorization of funds to enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 by grant to the State of Hawaii. The Center provides grants, fellowships and scholarships to qualified persons from Asia and the Pacific and Americans who work jointly on problems of mutual concern.

Subsection (e) authorizes appropriations under the heading "Migration and Refugee Assistance" to enable th Secretary of State to provide assistance to migrants and refugees, both on a multilateral basis through contributions to organizations such as the Intergovernmental Committee for European Migration and the United Nations High Commissioner for Refugees, and on a unilateral basis through assistance to refugees designated by the President, as authorized by law. Also included is an authorization of funds for a contribution to the International Committee of the Red Cross pursuant to existing legislation. This subsection does not include the authorization of appropriations for special and emergency refuge relief assistance such as assistance for Pakistani refugees. Such authorizations and appropriations are provided for in other Congressional enactments.

Section 3.—This section provides an authorization of appropriations for the fiscal year ending June 30, 1973 for a number of functions, activities and expenses of a nature that are difficult to determine in advance. One such category provided for in this authorization of appropriations covers increases in salary, pay, retirement or other employee benefits authorized by law which occur from

time to time and require supplemental appropriations such as the Federal Employees pay increase of January 9, 1972 which is not included in the amounts requested in Section 2. This section would also authorize appropriations for nondiscretionary increases such as those resulting from the recent exchange rate realignments and appropriations required to finance new or expanded activities authorized by law or treaty which would take effect after the enactment of this legislation. Many of the activities and responsibilities of the Department of State are affected by legislation enacted by the Congress, particularly that having international implications, which has a direct bearing on the Department's financial resources. The Department, therefore, must have the flexibility to meet such additional costs without being required to return for increased authorizations of appropriations prior to the submission of a request for additional or supplemental appropriations.

Section 4.—This section would provide for the customary extension of the availability of funds beyond the end of the fiscal year, to the extent provided for in appropriation Acts, for such appropriations of the Department as "Acquisition, operation, and maintenance of buildings abroad," "Acquisition, operation, and maintenance of buildings abroad (Special Foreign Currency Program)," "International Boundary and Water Commission, United States and Mexico—Construction," and "Migration and Refugee Assistance." This authority is required to enable the Department to retain funds appropriated for construction projects, the completion of which extends beyond a single fiscal year, and to enable the Department to meet the calendar year 1973 program needs for Migration and Refugee Assistance.

Section 5.—This section has been included to assure that permanent appropriations under which payments are made directly from the Treasury in accordance with existing statutory authority are not considered within the purview of section 407 of the Foreign Assistance Act of 1971. There are a number of such existing authorities such as the annual payment to the Republic of Panama; the annual payment to the Foreign Service Retirement and Disability Fund; use of proceeds from the sale or lease to foreign governments of sites at the International Center, Washington, D.C., for financing the costs of site preparation; payments from the Educational Exchange Permanent Appropriation which includes World War debt payments by Finland; expenditure of trust funds received from foreign governments for citizens of the United States or others; and expenditures from the gift funds of the Department.

DEPARTMENT OF STATE.—COMPARISON 1973 ESTIMATES WITH 1972 APPROPRIATIONS

Appropriation	1972 appropriations	1973 estimates	Increase (+) or decrease (−)
Regular appropriations:			
Salaries and expenses	$224,750,000	$250,820,000	+$6,070,000
Representation allowances	993,000	993,000	
Acquisition, operation, and maintenance of buildings abroad	18,750,000	27,127,000	+8,377,000
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	6,850,000	6,455,000	−395,000
Emergencies in the diplomatic and consular service	2,100,000	2,100,000	
Payment to Foreign Service retirement and disability fund	1,958,000	1,985,000	
Contributions to international organizations	152,864,000	180,900,000	+28,036,000
Missions to international organizations	4,793,000	4,863,000	+70,000
International conferences and contingencies	2,125,000	2,500,000	+375,000
International Boundary and Water Commission, United States and Mexico:			
Salaries and expenses	1,135,000	1,127,000	−8,000
Operation and maintenance	2,810,000	2,884,000	+74,000
Construction	6,280,000	10,197,000	+3,917,000
American sections, international commissions	725,000	722,000	−3,000
International Fisheries Commissions	3,100,000	3,296,000	+196,000
Mutual educational and cultural exchange activities	40,500,000	52,400,000	+11,900,00
Center for cultural and technical interchange between East and West	5,630,000	6,800,000	+1,170,000
Total regular appropriations	495,363,000	555,142,000	+59,779,000

DEPARTMENT OF STATE—COMPARISON 1973 ESTIMATES WITH 1972 APPROPRATION—Continued

	1972	1973	Increase or decrease
OTHER APPROPRIATIONS			
Funds appropriated in the Foreign Assistance and Related Agencies Appropriation Act:			
Migration and refugee assistance	[1] [2] $8,690,000	$8,212,000	−$478,000
Administrative and other expenses, sec. 637(b), Foreign Assistance Act	[2] 4,555,000	4,775,000	+220,000
Subtotal	13,245,000	12,987,000	−258,000
Permanent and indefinite appropriations:			
Payment to Foreign Service retirement and disability fund	5,200,000	8,300,000	+3,100,000
Educational exchange fund, payments by Finland, World War I debt	353,000	353,000	
International Center, Washington, D.C.		1,000,000	+1,000,000
Payment to the Republic of Panama	1,930,000	1,930,000	
Subtotal	7,483,000	11,583,000	+4,100,000
Total, other appropriations	20,728,000	24,570,000	+3,842,000
Funds appropriated in the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act	495,363,000	555,142,200	+59,779,200
Total, Department of State	516,091,000	579,712,200	+63,621,200

[1] Excludes $6,850,000 transferred from other accounts by Presidential Determination Orders Nos. 72-1 of June 29, 1971 ($5,000,000 for assistance to refugees in India from East Pakistan), and No. 72-6 of Nov. 1, 1971 ($1,850,000 for assistance to selected emigres).
[2] Fiscal year 1972 budget request.

Note: In addition to the foregoing appropriations carried in the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, the following appropriations are made to the Department by other legislative enactments.

REPORT ON OVERSEAS EXPENDITURES AND FOREIGN CURRENCY AVAILABILITY PURSUANT TO SEC. 6(c) OF PUBLIC LAW 89-243, APPROVED OCT. 9, 1965—FISCAL YEAR 1970

[In thousands of dollars or dollar equivalents]

Country and agency, worldwide summary	Overseas expenditures		Foreign currency available at June 30 for—	
	U.S. dollars	Foreign currency	U.S. use	Conversion
Agency for International Development	106,873	60,046		
Agriculture, Department of	5,462	19,080		36,058
American Battle Monuments Commission	477	1,482		
Atomic Energy Commission	7,417	384		
Civil Service Commission	18,969	474		
Commerce, Department of	6,542	7,226		
Defense, Department of	4,801,500	144,800		
Export-Import Bank of Washington	20,797			
General Services Administration	101			
Health, Education, and Welfare, Department of	217,606	25,529		
Interior, Department of	59,360	467		
Justice, Department of	3,389	276		
Labor, Department of	945	136		
Library of Congress	135	2,079		
National Aeronautics and Space Administration	47,293	6,691		
National Science Foundation	2,413	1,481		
Panama Canal	54,205			
Peace Corps	15,815	21,483		
Post Office Department	30,673	7,573		
Railroad Retirement Board	11,242	201		
Smithsonian Institution		2,274		
State, Department of	153,846	118,495		5,164
Tennessee Valley Authority	18,147			
Transportation, Department of	13,918	7,678		
Treasury, Department of	5,492	312		
U.S. Information Agency	38,410	53,568		
Veterans' Administration	72,270	32,240		
Subtotal	5,713,297	513,975		
Expenditures of certain foreign currency which was purchased with dollars from commercial sources other than the Department of Defense	[1] 292,000	−292,000		
Total	6,005,297	221,975	[3] 1,714,814	41,222

GLOBAL SUMMARY—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

	Total, all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	5,141	3,523	867	1,495	490	675	377	820	545	656	391	168	152	613
Near East, South Asia	2,747	5,707	934	2,226	431	707	503	1,519	398	1,296	173	448	199	1,433
East Asia, Pacific	6,007	10,963	1,181	2,099	604	883	577	1,216	2,086	3,486	412	2,476	277	1,582
Latin American republics	5,168	5,097	1,136	1,808	670	879	466	929	692	1,193	338	632	220	672
Europe	2,751	4,906	1,691	2,864	1,214	1,722	477	1,142	12	1			221	909
Total	21,814	30,196	5,809	10,492	3,409	4,866	2,400	5,626	3,733	6,632	1,314	3,724	1,069	5,209

	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	100	86	2,946	21	137	13	7	2				5		6	

Near East, South Asia	72	41	913	8	192	15	31	1	15		2		9	3	10
East Asia, Pacific	50	65	1,747	25	127	26	27		49	6	22	1		2	1
Latin American republics	89	117	2,373	22	89	59	211	5	5	19	16	2	10	2	13
Europe			6			72	76	15	48	29	60	3	36	18	52
Total	311	309	7,985	[2] 76	[2] 545	185	352	23	117	54	100	11	55	31	76

	Justice		NASA				Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
			Staff		Contract												
Country	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	1		2		85	351		2				2	10			1	
Near East, South Asia	25	2						3	1	3	1						
East Asia, Pacific	46	11	1		1	659	25	40	7	31	26	11	45	14	4	25	277
Latin American Republics	84	2	3		91	317		10	10	21		2	2				
Europe	135	18	13	1	311	529	3	71	10	93	10	47	292	7		4	
Total	291	33	19	1	488	1,856	28	126	28	148	37	62	349	21	4	30	277

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

[2] Includes short-term contract workers.

NEAR EAST AND SOUTH ASIA—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total, all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	369	452	33	66	17	22	16	44	81	222	66	47	5	17
Arab Republic of Egypt	21	67	20	61	14	49	6	12					1	6
Bahrain	5		5		3		2							
Ceylon	28	86	21	52	14	16	7	36	3	2			4	32
Cyprus	73	117	69	102	10	13	59	89					4	15
Greece	180	594	125	333	38	88	87	245					52	238
India	830	1,973	137	578	60	125	77	453	110	433	81	326	45	527
Iran	258	272	72	148	37	54	35	94	1	1			14	82
Israel	71	129	58	96	40	57	18	39		1			7	30
Jordan	40	72	37	42	17	18	20	24	2	17		1	1	12
Kuwait	18	23	17	20	10	17	7	3					1	3
Lebanon	115	227	85	91	37	45	48	46	1	4			18	128
Nepal	279	257	31	43	12	10	19	33	36	160	13	7	3	28
Pakistan	219	958	99	384	47	76	52	308	93	338	2		23	234
Saudi Arabia	53	103	40	94	24	54	16	40	8				5	9
Turkey	183	372	80	111	48	58	32	53	63	118	11	67	16	72
Yemen	5	5	5	5	3	5	2							
Total	2,747	5,707	934	2,226	431	707	503	1,519	398	1,296	173	448	199	1,433

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs		Volunteers	Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign		United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	12	1	168	3	99										
Arab, Republic of (Egypt)															
Bahrain															
Ceylon															

Country																	
Cyprus							1	3		4							
Greece																	
India	39	15	405	2	64		7	18		7				7		1	8
Iran	11	13	155	2	22		1	2	1	4				2		1	2
Israel							1	2								1	
Jordan																1	
Kuwait																	
Lebanon							2	1				2					
Nepal	10	12	185	1	7												
Pakistan							2	2									
Saudi Arabia																	
Turkey							1	3									
Yemen																	
Total	72	41	913	8	192		15	31	1	15		2		9		3	10

Country	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	1																
Arab Republic of Egypt																	
Bahrain																	
Ceylon																	
Cyprus																	
Greece	2	1															
India										3	1						
Iran																	
Israel	4																
Jordan																	
Kuwait																	
Lebanon	6							3	1								
Nepal																	
Pakistan																	
Saudi Arabia																	
Turkey	12	1															
Yemen																	
Total	25	2						3	1	3	1						

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EAST ASIA AND PACIFIC—NUMBERS OF CIVILIAN AGENCY [1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total, all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia	64	754	51	66	42	49	9	17					7	17
Burma	42	132	38	72	17	28	21	44	1	10		17	3	33
Fiji	175	21	3	3	3	3								
Hong Kong	90	199	63	146	44	112	19	34					8	44
Indonesia	164	232	83	93	42	44	41	49	52	79	9	2	18	57
Japan	247	534	129	268	93	179	36	89					39	197
Ryukyus	27	79	8		2		6		4	3			8	75
Khmer Republic	44	52	29	46	14	11	15	35	11	2			4	4
Korea	529	423	50	88	31	43	19	45	76	198	10	1	16	104
Laos	468	2, 120	62	84	20	33	42	51	325	801	67	1, 190	13	45
Malaysia	513	119	35	34	19	15	16	19			2		6	29
New Zealand	23	31	19	23	15	16	4	7					2	7
Philippines	696	1, 369	170	347	51	81	119	266	78	199	12	13	33	415
Singapore	43	52	28	26	17	15	11	11	1		4		4	26
Taiwan	64	197	46	106	33	53	13	53	3	21			13	59
Thailand	732	1, 150	140	224	85	101	55	123	194	506	61	206	35	180
Tonga	58	4												
Vietnam	1, 903	3, 478	227	473	76	100	151	373	1, 341	1, 667	247	1, 047	68	290
Western Samoa	125	17												
Total	6, 007	10, 963	1, 181	2, 099	604	883	577	1, 216	2, 086	3, 486	412	2, 476	277	1, 582

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia						3	3			1	9				
Burma															
Fiji	4	2	167	1	16										
Hong Kong						4	1								
Indonesia						2	1								
Japan						6	11		33	4	9			1	1

Country																				
Ryukyus																				
Khmer Republic																				
Korea	8	18	367		13	2	1													
Laos																				
Malaysis	9	18	445	13	36	1	2													
New Zealand						2	1													
Philippines	13	11	327	5	32	2	3		6			1		1						
Singapore																				
Taiwan						2	1		10											
Thailand	9	16	271		9	1	3				1	4								
Tonga	3		55		4															
Vietnam						1														
Western Samoa	4		115	6	17															
Total	50	65	1,747	25	127	26	27		49	6	22	1		2						

Country	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia			1		1	659											
Burma																	
Fiji																	
Hong Kong	9	5								5	2	1	1				
Indonesia																	
Japan	9	2					3	26	5	15	4	8		4	2	3	2
Ryukyus														7	1		
Khmer Republic																	
Korea																	
Laos	1																
Malaysia	2																
New Zealand																	
Philippines	4	2					16	3	2	6	20	2	44	1		22	275
Singapore	3						3										
Taiwan																	
Thailand	13	2						6		1							
Tonga																	
Vietnam	5						3	5		4				2	1		
Western Samoa																	
Total	46	11	1		1	659	25	40	7	31	26	11	45	14	4	25	277

LATIN AMERICAN REPUBLICS—NUMBERS OF CIVILIAN AGENCY [1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971
(ACTUAL EMPLOYMENT)

Country	Total, all agencies		State						AID					
			Total		Direct		Reimbursable		Direct hire including PASA		Contract		USIA	
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina	121	205	63	93	37	43	26	50	5	18	7	23	23	67
Bahamas	23	13	9	12	9	11		1						
Barbados	229	22	13	16	11	12	2	4					1	2
Bolivia	103	201	41	45	19	19	22	26	39	123	15	7	6	26
Brazil	739	761	133	230	68	95	65	135	171	304	67	48	42	134
British Honduras	40	11	5	7	5	7								
Chile	175	423	50	51	24	24	26	27	14	55	7	62	16	39
Colombia	437	262	63	77	35	41	28	36	52	75	35	50	16	27
Costa Rica	201	124	27	46	16	20	11	26	20	27	10	22	4	11
Dominican Republic	227	316	62	176	30	68	32	108	41	59	35	63	4	12
Ecuador	399	336	54	56	27	26	27	30	36	73	22	67	10	24
El Salvador	141	154	29	54	18	19	11	35	27	20	10	57	4	8
Guatemala	267	240	44	37	27	19	22	18	58	100	24	64	7	25
Guyana	32	59	15	20	8	9	7	11	13	22	2	9	2	8
Haiti	34	55	29	47	19	28	10	19	3				2	8
Honduras	229	100	27	48	15	17	12	31	25	23	18	12	4	7
Jamaica	213	74	26	52	20	31	6	21	5	4	1		2	6
Mexico	308	758	177	372	132	226	45	146	6	23	3	23	24	127
Netherlands Antilles	6	9	6	9	6	7		2						
Nicaragua	157	102	22	46	14	17	8	29	21	31	15	9	3	8
Panama	132	147	38	41	25	20	13	21	68	74	12	12	8	20
Paraguay	131	118	19	50	13	17	6	33	32	42	14	13	6	9
Peru	345	277	55	67	28	27	27	40	31	88	17	54	15	29
Surinam	5	5	5	5	5	5								
Trinidad	20	41	16	29	12	18	4	11					2	10
Uruguay	86	134	41	46	18	17	23	29	18	23	8	26	6	35
Venezuela	337	139	67	76	34	36	33	40	7	9	5		13	30
Regional	11	11									11	11		
Total	5,618	5,097	1,136	1,808	670	879	466	929	692	1,193	338	632	220	672

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina						7	2			5	1				
Bahamas						3									
Barbados	7	2	207		2					1					
Bolivia															
Brazil	16	26	313	4	6	5	5		5		1		1		1
British Honduras	2	2	33		2										
Chile	2	6	62		3	2	3								
Colombia	9	15	255		14	2	3			2	1			1	
Costa Rica	3	1	120	8	7	2	1								
Dominican Republic	4	2	78	1	3	2	1								
Ecuador	7	10	195	2	4	1	2								
El Salvador	3	3	64	1	10	2	2					1			
Guatemala	3	6	130		6	1	2								
Guyana															
Haiti															
Honduras	5	6	150		4										
Jamaica	4	5	173		1										
Mexico						28	182			2	6				
Netherlands Antilles										9	7	1	9	1	12
Nicaragua	4	1	85	3	7										
Panama	1														
Paraguay	3	2	54	1	2										
Peru	8	17	217	2	6		3								
Surinam															
Trinidad						1	2								
Uruguay	1	3	12				1								
Venezuela	7	10	225		12	3	2	5							
Regional															
Total	89	117	2,373	22	89	59	211	5	5	19	16	2	10	2	13

Country	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina	10	1						1									
Bahamas	5								1	6							
Barbados																	
Bolivia	2																
Brazil								1		6		1					
British Honduras																	
Chile			2		20	204											
Columbia										2							
Costa Rica								7	9								
Dominican Republic																	
Ecuador			1		71	100											
El Salvador																	
Guatemala																	
Guyana																	
Haiti																	
Honduras																	
Jamaica																	
Mexico	52	1								6		1	2				
Netherlands Antilles																	
Nicaragua	4																
Panama	4							1									
Paraguay	2																
Peru						13											
Surinam																	
Trinidad										1							
Uruguay																	
Venezuela	5																
Regional																	
Total	84	2	3		91	317		10	10	21		2	2				

EUROPE—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total, all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria	89	216	70	129	41	58	29	71					14	72
Belgium (Emb)	129	197	76	123	34	58	42	65					12	23
USEC	21	6	21	6	21	4		2						
USNATO	55		55				55							
Bermuda	88	70	4	8	4	6		2						
Bulgaria	17	24	14	21	11	13	3	8					3	3
Canada	206	152	93	139	89	115	4	24					6	9
Czechoslovakia	19	42	16	38	12	20	4	18					3	4
Denmark	43	62	32	41	21	29	11	12					5	18
Finland	36	51	28	31	19	19	9	12					8	20
France (Section OECD)	306	681	197	377	126	203	71	174	8	1			18	77
Germany	415	969	278	595	220	259	58	336					51	306
Hungary	17	40	15	37	11	27	4	10					2	3
Iceland	12	18	10	11	10	8		3					2	7
Ireland	14	34	13	32	13	22		10						
Italy	232	609	166	406	122	272	44	134	2				15	101
Luxembourg	13	19	11	9	9	8	2	1						
Malta	16	10	9	10	8	9	1	1					1	
Netherlands	57	130	40	74	34	57	6	17					4	13
Norway	37	59	33	42	23	31	10	11					4	17
Poland	47	106	36	84	30	55	6	29					9	20
Portugal	43	84	38	68	30	56	8	12					3	14
Romania	21	31	17	22	12	12	5	10					4	9
Spain	231	600	66	103	47	63	19	40					9	42
Sweden	46	78	37	47	26	33	11	14					5	22
Switzerland (Bern)	63	51	40	42	24	32	16	10					1	6
Geneva	58	35	58	35	38	29	20	6						
United Kingdom	281	329	113	227	95	168	18	59	2				13	30
U.S.S.R.	72		59		51		8						10	
Yugoslavia	67	203	46	107	33	56	13	51					19	93
Total	2,751	4,906	1,691	2,864	1,214	1,722	477	1,142	12	1			221	909

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria						1	2								
Belgium (Emb)						8	3		7				4		6
USEC															
USNATO															
Bermuda						1									
Bulgaria															
Canada						2	3			6					
Czechoslovakia															
Denmark						2	3								
Finland															
France (and OECD)						10	9			6	25	6	1	8	
Germany						5	8		20	3	10	1	8	1	10
Hungary															
Iceland															
Ireland						1	2								
Italy						11	15		4	2	6		12	2	16
Luxembourg															
Malta			6												
Netherlands						8	8		12	1	4				
Norway															
Poland						2	2								
Portugal						2	2								
Romania															
Spain						3	4		5	2					
Sweden						1	3			1	6			1	
Switzerland (Bern)						3	3	5		1				8	
Geneva															
United Kingdom						7	6	10		7	9	2	6	5	12
U.S.S.R.						3									
Yugoslavia						2	3								
Total			6			72	76	15	48	29	60	3	36	18	52

Country	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria	3	3										1					
Belgium (Emb)								21	4			9	37	3			
USEC																	
USNATO																	
Bermuda	2		2		76	62				3							
Bulgaria																	
Canada	55							1		43	1						
Czechoslovakia																	
Denmark	4																
Finland																	
France (and OECD)	20	2	2	1				1		17	2	25	175	1			
Germany	17	5					1	46	6	9	1			3			
Hungary																	
Iceland																	
Ireland																	
Italy	18	6								12	4	4	39				
Luxembourg												2	10				
Malta																	
Netherlands							2					2	19				
Norway																	
Poland																	
Portugal																	
Romania																	
Spain	7	1	7		137	445											
Sweden																	
Switzerland (Bern)	2															1	
Geneva																3	
United Kingdom	7	1	2		98	22		2		9	2	4	14				
U.S.S.R																	
Yugoslavia																	
Total	135	18	13	1	311	529	3	71	10	93	10	47	292	7		4	

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

AFRICA—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total, all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Algeria	25	33	23	29	17	24	6	5					2	4
Angola	5	9	5	9	5	9								
Botswana	111	8	6	4	6	3		1	1		1			
Burundi	11	21	10	16	6	9	4	7					1	5
Cameroon	124	55	20	32	10	10	10	22	8	4	7		6	12
Central African Republic	11	12	10	9	7	4	3	5					1	3
Chad	79	31	12	19	7	6	5	13	5				1	6
Dahomey	79	33	9	19	5	4	4	15		2	1		1	7
Equatorial Guinea		2		2		2								
Ethiopia	389	179	52	94	25	20	27	74	51	44	77		7	28
Gabon	9	24	7	19	7	6		13	1				1	5
Gambia, the	61	3	1	1	1	1								
Ghana	434	123	34	50	21	14	13	36	37	39	23	4	7	18
Guinea	15	33	12	28	6	8	6	20	1		1	1	1	4
Ivory Coast	186	84	32	59	17	13	15	46	16	6	1		7	12
Kenya	491	154	39	74	20	36	19	38	48	39	28	7	7	20
Lesotho	50	10	4	2	4	2			1				1	4
Liberia	534	292	102	77	19	34	83	43	61	83	12		14	111
Libya	32	60	31	54	17	26	14	28					1	6
Malagasy Republic	95	167	7	24	5	13	2	11		1			2	12
Malawi	64	27	14	15	6	7	8	8			20		1	5
Mali	43	57	17	44	9	18	8	26	4				2	5
Mauritania	6	4	5	4	5	4								
Mauritius	30	10	8	6	6	6	2							
Morocco	300	305	48	146	29	55	19	91	41	27	12	4	25	122
Mozambique	5	9	5	9	5	9								
Niger	119	48	9	18	6	3	3	15	10	6			1	7
Nigeria	321	606	74	191	41	97	33	94	116	238	109	126	16	50
Rwanda	6	18	6	17	6	5		12						1
Senegal	144	55	20	22	13	10	7	12	7	11			6	11
Sierra Leone	236	50	10	25	5	13	5	12			7		2	6
Somali Republic	21	57	18	46	11	7	7	39					3	11
South Africa	63	312	55	73	45	57	10	16					6	16
Sudan	11	42	10	30	6	20	4	10					1	12
Swaziland	108	16	4	3	3	3	1		7		1	2		
Tanzania	101	68	17	26	11	17	6	9	19	27	62	1	3	14
Togo	107	50	8	28	6	13	2	15	1	1	3	8	1	8
Tunisia	207	203	29	59	15	28	14	31	44	93	4	7	5	27
Uganda	163	56	13	14	7	10	6	4	27	20	21	6	3	10
Upper Volta	83	32	8	17	6	7	1	11	1		1	1	2	5
Zaire	245	140	60	66	33	34	27	32	35	15		1	13	36
Zambia	18	25	13	15	10	9	3	6	3				2	10
Total	5,142	3,523	867	1,495	490	675	377	820	545	656	391	168	152	613

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteer	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United State	Foreign
Algeria															
Angola															
Botswana	3	2	100	0	2										
Burundi															
Cameroon	4	3	79		4										
Central African Republic															
Chad	3	3	56	2	3										
Dahomey	3	2	65		3										
Equatorial Guinea															
Ethiopia	7	6	195		7										
Gabon															
Gambia, the	2	1	58		1										
Ghana	6	5	325		7							1		1	
Guinea															
Ivory Coast	5	4	124	1	3										
Kenya	6	10	359		2	3	2							1	
Lesotho	1		42	1	4										
Liberia	8	9	333	1	12	3									
Libya															
Malagasy Republic															
Malawi	2	2	27		5										
Mali	2	2	18		6										
Mauritania			1												
Mauritius	2	1	20		3										
Morocco	5	5	163	3	1	2									
Moxambique															
Niger	5	5	94	0	12										
Nigeria						2	1	2							
Rwanda															
Senegal	6	1	105		10										
Sierra Leone	7	6	209	1	13										
Somali Republic															
South Africa						1	2								
Sudan															
Swaziland	2	1	89	5	10										
Tanzania															
Togo	5	5	83	6											
Tunisia	3	5	119		2										
Uganda	3	3	88		3										
Upper Volta	3	3	68		6							4		4	
Zaire	7	2	127	1	18	2	2								
Zambia															
Total	100	86	2,947	21	137	13	7	2				5		6	

Country	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonion TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Algeria																	
Angola																	
Botswana																	
Burundi																	
Cameroon																	
Central African Republic																	
Chad																	
Dahomey																	
Equatorial Guinea																	
Ethiopia																	
Gabon																	
Gambia, the																	
Ghana																	
Guinea																	
Ivory Coast																	
Kenya																	
Lesotho																	
Liberia																	
Libya																	
Malagasy Republic			2		84	130											
Malawi																	
Mali																	
Mauritania																	
Mauritius																	
Morocco	1																
Mozambique																	
Niger																	
Nigeria								2									
Rwanda																	
Senegal																	
Sierra Leone																	
Somali Republic																	
South Africa					1	221											
Sudan																	
Swaziland																	
Tanzania																	
Togo																	
Tunisia												2	10			1	
Uganda																	
Upper Volta																	
Zaire																	
Zambia																	
Total	1		2		85	351		2				2	10			1	

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

LOCATIONS OF PERSONNEL OF 12 AGENCIES WITH SMALL STAFFS OVERSEAS

	United States	Foreign
American Battle Monuments Comisssion;		
Belgium	4	37
France	22	173
Italy	4	39
Luxembourg	2	10
Mexico	1	2
Netherlands	2	19
Phillippines	2	44
Tunisia	2	10
United Kingdom	2	14
Total	41	348
AEC:		
Belgium	5	----
Brazil	1	----
France	3	----
Japan	3	----
United Kingdom	2	----
Total	14	0
Environmental Protection Agency:		
Japan	5	----
Export-Import Bank:		
Austria	1	----
Hong Kong	1	1
GSA:		
Germany	2	----
Japan	1	1
Ryukyus	4	1
Philippines	1	----
Vietnam	2	1
HUD: France	1	----
Interior:		
Belgium	3	----
Germany	1	----
Japan	3	1
Labor: Ryukyus	3	----
National Science Foundation: Japan	3	2
Smithsonian: Tunisia	1	----
TVA:		
Sweden	1	----
Switzerland	3	----
VA: Philippines	22	275

DEPARTMENT OF STATE

	Americans	Locals	Amount
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY			
Bureau of African Affairs:			
Algeria	14	24	$677,398
Angola	5	9	272,380
Botswana	5	3	271,252
Burundi	6	10	371,200
Cameroon	11	13	655,912
Central African Republic	6	4	394,665
Chad	6	6	461,280
Dahomey	6	6	361,105
Equatorial Guinea	2	2	140,300
Ethiopia	24	22	1,177,927
Gabon	7	7	479,743
Gambia	2	1	118,713
Ghana	20	13	1,032,488
Guinea	9	7	568,930
Ivory Coast	16	16	998,390
Kenya	21	37	1,047,073
Lesotho	3	2	154,648
Liberia	19	34	1,176,130
Libya	17	22	1,036,559
Malagasy Republic	9	12	465,251
Malawi	6	9	298,410
Mali	9	17	430,094
Mauritania	5	4	228,834
Mauritius	5	6	235,279
Morocco	26	56	1,420,490
Mozambique	5	9	290,292
Niger	6	3	358,038
Nigeria	47	103	2,555,835
Rwanda	5	5	305,560
Senegal	12	10	1,807,236
Sierra Leone	7	13	562,140
Somali Republic	10	24	776,465
South Africa	44	54	1,761,058
Southern Rhodesia			69,791
Sudan	5	17	489,868
Swaziland	3	3	179,044
Tanzania	12	17	797,433
Togo	6	12	419,296
Tunisia	14	27	704,540
Uganda	7	9	512,309
Upper Volta	8	6	397,442
Zaire	32	34	1,476,731
Zambia	9	7	525,758
Regional			534,323
Cooperation with private institutions			321,921
Total	491	695	29,319,531

	Americans	Locals	Amount
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY			
Bureau of Near Eastern and South Asian Affairs:			
Afghanistan	14	22	$916,130
Arab Republic of Egypt	13	49	588,475
Bahrain	3	5	169,641
Ceylon	14	16	706,376
Cyprus	9	13	555,812
Greece	38	87	2,365,770
India	61	122	3,573,943
Iran	35	54	1,879,736
Iraq			61,000
Israel	39	57	1,537,656
Jordan	17	18	788,590
Kuwait	14	20	734,415
Lebanon	35	47	4,636,513
Nepal	12	10	584,429
Oman	3	5	170,756
Pakistan	49	72	2,289,240
Saudi Arabia	20	52	1,456,658
Syrian Arab Republic			10,000
Turkey	47	59	2,296,873
United Arab Emirates	3	5	156,086
Yemen	3	5	161,937
Regional			1,548,455
Cooperation with private institutions			1,706,000
Total	429	718	28,893,861
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY			
Bureau of East Asian and Pacific Affairs:			
Australia	41	52	2,245,906
Burma	17	32	1,055,170
Cambodia	14	13	962,164
Fiji Islands	3	3	165,996
Hong Kong	43	110	1,977,212
Indonesia	42	46	1,925,591
Japan	94	184	14,412,840
Korea	32	46	1,590,729
Laos	19	34	964,564
Malaysia	19	15	1,106,065
New Zealand	15	17	754,001
Philippines	53	82	2,112,639
Singapore	17	16	715,909
Taiwan	30	55	1,453,555
Thailand	88	104	3,389,671
Vietnam	76	110	3,746,864
Trust Territories of the Pacific (Saipan)	1		34,108
Micronesia			19,052
Regional			1,535,612
Cooperation with private institutions			1,146,190
Total	604	919	41,313,838
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY			
Bureau of Inter-American Affairs:			
Argentina	38	43	2,044,594
Bahamas	9	12	455,448
Barbados	10	13	411,555
Bolivia	19	20	1,028,874
Brazil	71	96	4,425,168
British Honduras	5	7	208,400
Chile	26	24	1,312,132
Colombia	37	43	1,692,327
Costa Rica	16	21	702,789
Cuba			38,000
Dominican Republic	32	70	1,622,593
Ecuador	29	27	1,191,689
El Salvador	18	19	618,203
Guatemala	21	18	1,272,630
Guyana	9	9	399,949
Haiti	17	30	638,050
Honduras	16	18	749,607
Jamaica	21	32	804,058
Mexico	131	230	5,337,580
Netherlands Antilles	6	7	223,949
Nicaragua	14	18	576,172

DEPARTMENT OF STATE—Continued

	Americans	Locals	Amount
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY—Continued			
Panama	25	22	$1,100,692
Paraguay	13	17	542,293
Peru	28	28	1,613,309
Surinam	5	5	195,597
Trinidad	13	18	586,531
Uruguay	20	17	877,619
Venezuela	35	36	1,835,730
Regional			274,156
Cooperation with private institutions			100,000
Total	684	900	32,879,694
FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY			
Bureau of European Affairs:			
Austria	41	60	2,470,590
Belgium	63	64	2,748,769
Bermuda	4	6	251,210
Bulgaria	11	14	454,008
Canada	86	119	3,775,464
Czechoslovakia	14	20	760,794
Denmark	19	29	1,077,645
Finland	18	20	1,137,054
France	132	207	6,646,535
French West Indies	3	5	170,530
Germany	226	267	11,156,673
Hungary	12	28	823,184
Iceland	9	8	431,611
Ireland	13	22	734,188
Italy	109	274	6,502,766
Luxembourg	10	8	365,414
Malta	8	9	285,547
Netherlands	35	58	1,823,662
Norway	22	31	1,117,366
Poland	29	57	1,765,137
Portugal	28	57	1,257,362
Romania	12	13	1,456,342
Spain	45	66	2,306,390
Sweden	25	34	1,274,363
Switzerland	55	57	2,533,514
United Kingdom	93	184	4,971,087
U.S.S.R.	54		2,740,733
Yugoslavia	32	58	6,375,107
Regional			110,059
Cooperation with private institutions			795,000
Total	1,208	1,775	68,318,104
Grand total	3,416	5,007	200,725,028

The CHAIRMAN. We are pleased to have as our first witness Secretary of State William P. Rogers, who is accompanied by William B. Macomber, Jr., Deputy Under Secretary for Management.

Mr. Secretary, do you have a prepared statement?

STATEMENT OF HON. WILLIAM P. ROGERS, SECRETARY OF STATE, ACCOMPANIED BY WILLIAM B. MACOMBER, JR., DEPUTY UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF STATE, AND DAVID M. ABSHIRE, ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

Secretary ROGERS. Yes, sir, Mr. Chairman, members of the committee. With your permission I will read part of the prepared statement and possibly submit part of it so I don't take too long.

The CHAIRMAN. Put it all in the record and read what part you think is most relevant.

Secretary ROGERS. Mr. Chairman, members of the committee, I appear before you today in support of a bill to authorize appropriations for the Department of State for fiscal year 1973. This authorizing legislation is required by section 407 of the Foreign Assistance Act of 1971.

SECOND ANNUAL FOREIGN POLICY REPORT

In this first year of authorization of the State Department's budget by your committee, it is appropriate that I should begin by presenting the committee with our second annual foreign policy report, "United States Foreign Policy—1971." It was your interest and encouragement, Mr. Chairman, that stimulated this report originally. I am therefore pleased that we can make it a basic document in our authorization request.

I might say it is a fairly complete report of the activity of the U.S. Government and particularly the State Department in 1971. It supplements the report by the President which he has entitled "U.S. Foreign Policy for the 1970's." It sets forth on a country by country basis some of the activities of our Government and it also deals with many other subjects such as drug control, pollution, environment and so forth. I think that you will find that it is a good report and it is one I think the committee deserves a great deal of credit for.

MAJOR ASPECTS OF U.S. FOREIGN POLICY

Let me start by reviewing briefly some of the major aspects of our foreign policy as compiled in this report.

America has been involved in war in each of the last three decades. This administration intends to break that pattern. We have confidence that we can. We have worked with some success to keep the Middle East below the flashpoint. We are withdrawing from the conflict in Indochina; the rate of our withdrawal may be slower than some would like, but no one can deny that withdrawal has been steady and consistent. We are building a structure for peace by negotiations rather than by confrontation.

At the global level peace will depend, for the foreseeable future, principally on relationships among the United States, Western Europe, Japan, the Soviet Union, and the People's Republic of China. That is why we are making strenuous efforts both to strengthen cooperation with our friends—Western Europe and Japan—and to improve relations with those with whom we have fundamental differences—the Soviet Union and the People's Republic of China.

RELATIONS WITH PEOPLE'S REPUBLIC OF CHINA

The President's visit to China has established a solid foundation on which these differences can be dealt with in honesty and candor. The visit has already made a fundamental change in the relationship which prevailed between our two countries over the past 22 years. I am also confident that an improvement in our relations will not adversely affect the interests of our friends and allies in the Pacific.

I noted in the report that, while our relationships with the People's Republic of China will be essential for peace during the rest of this century, our relationship with the Soviet Union is already essential for it. That statement reflects present realities of power.

U.S.-SOVIET RELATIONSHIPS

As my report notes, we view the Soviet record of behavior last year as mixed—most helpful in Berlin, least helpful in Indochina. The Soviets continue to be tempted to exploit volatile situations for national advantage. To the extent that they do, conflicts will arise and tranquility in the world will remain elusive. However, there is reason for some optimism. For example, it is my hope that we will reach agreement this year to limit offensive and defensive strategic arms.

On another level of U.S.-Soviet relationships—matters of direct bilateral cooperation—we expect significant progress this year. The very range of issues we have been discussing with the Soviets—health, science, peaceful uses of atomic energy, a possible joint space mission, incidents at sea, trade, joint economic projects—indicates the opportunities for progress that already exist. A major result of the President's visit to Moscow we would hope would be further impetus to our growing bilateral cooperation.

Mr. Chairman, I have spoken both of "conflict" and "cooperation" with the Soviet Union. This fact suggests the essential ambiguity of our relationship. The certainties—the ideological and emotional reference points—which have guided us through a generation of bipolar power are no longer sufficient. Our ability to adjust to the subtleties of the new world, to perceive the essential elements of our new relationships, and to take rhetoric and propaganda in our stride—all of these qualities will be essential to the success of the venture in which we are engaged.

STRENGTHENING COOPERATION WITH OUR ALLIES

The efforts that President Nixon is making to improve relations with the Soviet Union and the People's Republic of China have important implications in the cause of peace. But as a corollary we must strengthen cooperation with our allies; indeed these latter efforts are especially important at this time of changing relationships with the Communist countries.

Our association with Western Europe and Japan showed its stamina during 1971 in withstanding the strains of economic difficulty. In economic negotiations with them and with others this year and next we will continue to defend our interests. But we will do so in the conviction that our overall national interest is served by appropriate adjustment and interdependence of national economies.

GROWING IMPORTANCE OF ECONOMIC POLICY

In my first foreign policy report—and again in this one—I emphasized the growing importance I attach to economic policy. We are already giving greater emphasis to economic matters in many aspects of policy. Of considerable current interest in the light of our trade def-

icit is the emphasis we are giving to export promotion and commercial relations. The report describes our efforts in some detail. I have also taken steps to strengthen the Department's capabilities in economic and commercial affairs. The appointment of Willis C. Armstrong, a former Foreign Service Officer and most recently President of the U.S. Council of the International Chamber of Commerce, as Assistant Secretary for Economic Affairs, is important testimony to our determination to assist American business here and abroad to help reverse our adverse trade balance.

I should add that there is no contradiction in a foreign policy that seeks competitively to advance America's economic interests while at the same time supporting the growing economic and political strength of others. Our firm support for the enlargement of the European Community reflects this judgment.

OBJECTIVE OF RECONCILIATION AMONG ALL EUROPE'S NATIONS

Western Europe's strength and unity are also the foundation for progress toward the difficult objective toward which we and our allies are now moving—an eventual reconciliation among all Europe's nations, eastern and western. It is by no means clear how rapid the process of breaking down the barriers in Europe will be. But it is clear that we should exercise care that our own actions not prematurely anticipate progress that has not yet been achieved.

RELATIONS WITH JAPAN

In East Asia, our association with Japan, our major ally in the region, is critical not only to both countries but to the entire Pacific. As I stressed in my report, we attach the highest importance to our relations with Japan and in 1972 will work to strengthen the bonds between us.

TIES WITH LATIN AMERICA

This year we will also devote greater attention to our close ties with Latin America. We were not able to do as much in Latin America last year as we would have liked, partly because of our own economic preoccupations. But we did clear up several long-standing territorial problems—with Mexico, Honduras, and Nicaragua—and we expect to deal with some others this year. We are anxious to do more this year to meet the Hemisphere's economic concerns. I plan to give considerable personal attention this year to our ties within the hemisphere. I will be representing the United States at the OAS (Organization of American States) meeting here next month and we plan high level visits to Latin America late this year.

RELATIONS WITH AFRICA

When I returned from my visit to Africa in 1970, I placed a new policy stress on increasing our economic relations with Africa. As the report shows, our trade and investment with Africa's developing countries have since increased markedly—partly from normal de-

velopments, partly because of our encouragement. We now want to continue this trend. I intend to convene later this year, in cooperation with other government agencies, a conference of American agricultural, manufacturing, and commercial enterprises to consider opportunities for trade and investment on the continent.

RE-EXAMINATION OF POLITICAL RELATIONSHIPS AND POLICIES IN SOUTH ASIA

In South Asia, more than in any other area, the events of 1971 are causing us to re-examine our political relationships and policies. We also must deal with the fact that the authority of the Pakistani Government no longer prevails in Bangladesh and that it is now separately governed. The sovereignty of Bangladesh has been recognized by a substantial number of states. We currently are actively considering our own policy. We reciprocate India's desire to restore better relations and are pursuing a dialogue with it which will take into account all relevant factors.

ISSUES UNBOUNDED BY GEOGRAPHICAL REGIONS

Over half the text of my foreign policy report deals with issues which are unbounded by geographical regions. In this report, as in the first one, I have said that such technological, scientific, legal, and social issues will increasingly affect relations among nations and will increasingly occupy our diplomatic activity. I know your committee, Mr. Chairman, shares this view of the importance of these common concerns of diplomacy.

I will mention here only one. During 1972 we will be making strenuous efforts to combat the opium and heroin traffic. We have already reached agreements or opened discussions with 18 countries on this subject. This year we hope to begin separate negotiations with about 40 more to establish agreed control programs. As a result of these and other efforts we hope to see measurable effects against the drug traffic before the year ends.

The advance of science and technology, more than any other factor, has brought the new issues to the fore. In recognition of this I will be appointing this spring a public Advisory Committee on Science and Foreign Affairs. As presently planned it would have about 15 members, drawn equally from the fields of science, industrial technology, and economics and social science. I hope it will make a major contribution to our knowledge and our policy in these areas.

Mr. Chairman, I believe that 1971 was a year of substantial innovation and accomplishment in American foreign policy. It is my belief that 1972 will also be a year of great progress in foreign affairs.

BILL BEFORE COMMITTEE

May I now turn to the bill before this committee.

The bill before this committee, Mr. Chairman, requests authorization for appropriations for fiscal year 1973 in the amount of $563.4 million, the amount requested in the President's budget for the Department for fiscal year 1973 submitted to the Congress.

Mr. Chairman, the Department of State has the smallest total budgetary requirements of any Cabinet-level department. Only the Departments of Labor and of Housing and Urban Development have fewer people. Mr. Chairman, the authorization before you today will in fact provide 241 fewer positions than we have in this fiscal year. Since 1967 the Department of State has had to abolish 2,150 positions at home and abroad. While our total costs have increased during the past few years, these increases have chiefly been to meet mandatory and non-discretionary costs. I will submit the rest of the budget request for consideration by the committee. We will have assistants here to answer any detailed questions you have about any aspect of the budget and I will be happy to attempt to answer any questions that you or the other members may have now.

Thank you.

(Secretary Rogers' prepared statement follows:)

STATEMENT BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE, "AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF STATE," BY WILLIAM P. ROGERS, SECRETARY OF STATE, MARCH 8, 1972

Mr. Chairman and members of the committee, I appear before you today in support of a bill to authorize appropriations for the Department of State for fiscal year 1973. This authorizing legislation is required by Section 407 of the Foreign Assistance Act of 1971.

In this first year of authorization of the State Department's budget to your Committee, it is appropriate that I should begin by presenting the Committee with our second annual Foreign Policy Report, "United States Foreign Policy—1971". It was your interest and encouragement, Mr. Chairman, that stimulated this report originally. I am therefore pleased that we can make it a basic document in our authorization request.

Let me start by reviewing briefly some of the major aspects of our foreign policy as compiled in this Report.

America has been involved in war in each of the last three decades. This Administration intends to break that pattern. We have confidence that we can. We have worked with some success to keep the Middle East below the flashpoint. We are withdrawing from the conflict in Indo-China ; the rate of our withdrawal may be slower than some would like, but no one can deny that withdrawal has been steady and consistent. We are building a structure for peace by negotiations rather than confrontation.

At the global level peace will depend, for the foreseeable future, principally on relationships among the United States, western Europe, Japan, the Soviet Union, and the People's Republic of China. That is why we are making strenuous efforts both to strengthen cooperation with our friends—western Europe and Japan—and to improve relations with those with whom we have fundamental differences—the Soviet Union and the People's Republic of China.

The President's visit to China has established a solid foundation on which these differences can be dealt with in honesty and candor. The visit has already made a fundamental change in the relationship which prevailed between our two countries over the past twenty-two years. I am also confident that an improvement in our relations will not adversely affect the interests of friends and allies in the Pacific.

I noted in the report that, while our relationships with the People's Republic of China *will be* essential for peace during the rest of this century, our relationship with the Soviet Union *is already essential for it*. That statement reflects present realities of power.

As my report notes, we view the Soviet record of behavior last year as mixed—most helpful in Berlin, least helpful in Indo-China. The Soviets continue to be tempted to exploit volatile situations for national advantage. To the extent that they do, conflicts will arise and tranquility in the world will remain elusive. However, there is reason for some optimism. For example, it is my hope that we will reach agreement this year to limit offensive and intensive strategic arms.

On another level of U.S.-Soviet relationships—matters of direct bilateral cooperation—we expect significant progress this year. The very range of issues we have been discussing with the Soviets—health, science, peaceful uses of atomic energy, a possible joint space mission, incidents at sea, trade, joint economic projects—indicates the opportunities for progress that already exist. A major result of the President's visit we would hope would be further impetus to our growing bilateral cooperation.

Mr. Chairman, I have spoken both of "conflict" and "cooperation" with the Soviet Union. This fact suggests the essential ambiguity of our relationship. The certainties—the ideological and emotional reference points—which have guided us through a generation of bipolar power are no longer sufficient. Our ability to adjust to the subtleties of the new world, to perceive the essential elements of our new relationships and to take rhetoric and propaganda in our stride—all of these qualities will be essential to the success of the venture in which we are engaged.

The efforts that President Nixon is making to improve relations with the Soviet Union and the People's Republic of China have important implications in the cause of peace. But as a corollary we must strengthen cooperation with our allies; indeed these latter efforts are especially important at this time of changing relationships with the Communist countries.

Our association with western Europe and Japan showed its stamina during 1971 in withstanding the strains of economic difficulty. In economic negotiations with them and with others this year and next we will continue to defend our interests. But we will do so in the conviction that our overall national interest is served by appropriate adjustment and interdependence of national economies.

In my first Foreign Policy Report—and again in this one—I emphasized the growing importance I attach to economic policy. We are already giving greater emphasis to economic matters in many aspects of policy. Of considerable current interest in the light of our trade deficit is the emphasis we are giving to export promotion and commercial relations. The report describes our efforts in detail. I have also taken steps to strengthen the Department's capabilities in eeconomic and commercial affairs. The appointment of Willis C. Armstrong, a former Foreign Service Officer and most recently President of the U.S. Council of the International Chamber of Commerce, as Assistant Secretary for Economic Affairs, is important testimony to our determination to assist American business here and abroad to help reverse our adverse trade balance.

I should add that there is no contradiction in a foreign policy that seeks competitively to advance America's economic interests while at the same time supporting the growing economic and political strength of others. Our firm support for the enlargement of the European Community reflects this judgment.

Western Europe's strength and unity are also the foundation for progress toward the difficult objective toward which we and our allies are now moving—an eventual reconciliation among all Europe's nations, eastern and western. It is by no means clear how rapid the process of breaking down the barriers in Europe will be. But it is clear that we should exercise care that our own actions not prematurely anticipate progress that has not yet been achieved.

In East Asia, our association with Japan, our major ally in the region, is critical not only to both countries but to the entire Pacific. As I stressed in my report, we attach the highest importance to our relations with Japan and in 1972 will work to strengthen the bonds between us.

This year we will also devote greater attention to our close ties with Latin America. We were not able to do as much in Latin America last year as we would have liked, partly because of our own economic preoccupations. But we did clear up several long-standing territorial problems—with Mexico, Honduras, and Nicaragua—and we expect to deal with some others this year. We are anxious to do more this year to meet the Hemisphere's economic concerns. I plan to give considerable personal attention this year to our ties within the hemisphere. I will be representing the United States at the OAS meeting here next month and we plan high level visits to Latin America late this year.

When I returned from my visit to Africa in 1970 I placed a new policy stress on increasing our economic relations with Africa. As the report shows, our trade and investment with Africa's developing countries have since increased markedly—partly from normal developments, partly because of our encouragement. We now want to continue this trend. I intend to convene later this year, in co-

operation with other government agencies, a conference of American agricultural, manufacturing and commercial enterprises to consider opportunities for trade and investment on the continent.

In South Asia, more than in any other area, the events of 1971 are causing us to re-examine our political relationships and policies. We also must deal with the fact that the authority of the Pakistani Government no longer prevails in Bangladesh and that it is now separately governed. The sovereignty of Bangladesh has been recognized by a substantial number of states. We currently are actively considering our own policy. We reciprocate India's desire to restore better relations and are pursuing a dialogue with it which will take into account all relevant factors.

Over half the text of my foreign policy report deals with issues which are unbounded by geographical regions. In this report, as in the first one, I have said that such technological, scientific, legal, and social issues will increasingly affect relations among nations and will increasingly occupy our diplomatic activity. I know your Committee, Mr. Chairman, shares this view of the importance of these common concerns of diplomacy.

I will mention here only one. During 1972 we will be making strenuous efforts to combat the opium and heroin traffic. We have already reached agreements or opened discussions with 18 countries. This year we hope to begin separate negotiations with about 40 more to establish agreed control programs. As a result of these and other efforts we hope to see measurable effects against the drug traffic before the year ends.

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May I now turn to the Bill before this Committee.

The Bill before this Committee, Mr. Chairman, requests authorization for appropriations for fiscal year 1973 in the amount of $563.4 million, the amount requested in the President's budget for the Department for fiscal year 1973 submitted to the Congress.

Mr. Chairman, the Department of State has the smallest total budgetary requirements of any Cabinet-level Department. Only the Departments of Labor and of Housing and Urban Development have fewer people. Mr. Chairman, the Authorization before you today will in fact provide 241 fewer positions than we have in this fiscal year. Since 1967 the Department of State has had to abolish 2,150 positions at home and abroad. While our total costs have increased during the past few years, these increases have chiefly been to meet mandatory and non-discretionary costs.

Section 2 of the Bill is organized to group the activities of the Department of State under five headings: Administration of Foreign Affairs, International Organizations and Conferences, International Commissions, Educational Exchange, and Migration and Refugee Assistance Program.

The first of these, subsection (a), shows "Administration of Foreign Affairs" in the amount of $289,453,000. Under this category are the salaries and expenses and allowances of the officers and employees of the Department, American and foreign, both in the United States and abroad. Funds for executive direction and policy formulation, the conduct of diplomatic and consular relations with foreign countries, the conduct of diplomatic relations with international organizations, central program services and administrative and staff activities are included. It is the basic appropriation which provides the essential resources to support the Secretary, and through him the President, in the conduct of our foreign affairs.

As I have said, the scope of diplomacy is expanding constantly, and the nature of our more traditional activities has changed. In addition to the new issues I have noted, increased opportunities for international travel—and the attraction of such travel for American youth especially—have added new dimensions to the work of our consuls abroad. Trade expansion activities in support of American business have been given greater emphasis.

The second activity shown in Section 2 is "International Organizations and Conferences." Funds are provided here for the United States' share of the expenses of international organizations in which our membership has been authorized by treaties, conventions or specific Acts of Congress.

This section also provides operating funds for the American missions at the headquarters of certain international organizations, the funding of United States participation in multilateral conferences and meetings, annual contributions to several provisional organizations, and expenses of Congressional delegations to international parliamentary meetings. A total of $188,263,000 is needed for these activities.

Funds are provided under the heading "International Commissions," to fulfill our treaty obligations in the western hemisphere, including the International Boundary and Water Commission of the United States and Mexico, and the American Sections of the US-Canadian International Boundary and International Joint Commissions.

This section includes $18,226,000 to fund our participation in International Fisheries Commissions, directed toward the preservation and expansion of fishery stocks.

The Department seeks authorization under the heading "Educational Exchange" for appropriations to fulfill its functions under provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the Act of August 9, 1939. This authorization provides for programs of the Department of State such as the exchange of persons, aid to American sponsored schools abroad, and cultural presentations. This heading also includes the East-West Center in Hawaii, more formally known as the Center for Cultural and Technical Interchange between East and West, which provides grants and fellowships to students, professionals and scholars from Asia and the Pacific and from the US to work together on such problems as population, food, technology, communications, and similar key areas. This request totals $59,200,000.

We are requesting a relatively modest $8,212,000 for the Migration and Refugee Assistance Program, under which the Department provides assistance to migrants and refugees through contributions to such organizations as the Intergovernmental Committee for European Migration and the United Nations High Commission for Refugees, and unilaterally through assistance to refugees designated by the President as authorized by law. Existing legislation also provides for a contribution to the International Red Cross.

Under Section 3 of the Bill we request authorization for appropriations for the fiscal year ending June 30, 1973, for certain activities and expenses that are difficult or impossible to specify in advance, such as increases in pay, retirement, and other employee benefits provided by law which require supplemental appropriations. This section would also authorize appropriations to meet mandatory increases such as those arising from international exchange rate realignments, or new or expanded activities authorized by law or treaty after the enactment of this legislation.

Section 4 of the Bill provides for the customary extension and availability of funds beyond the end of the fiscal year for the acquisition, operation and maintenance of buildings abroad (that is, our foreign buildings program) and such activities as the International Boundary and Water Commission, U.S. and Mexico construction account. We need authority to retain funds appropriated for construction projects which extend beyond the fiscal year and, with respect to migration and refugee assistance, to enable us to meet calendar year program needs.

Section 5 of the Bill assures that permanent appropriations under which payments by law are made directly from Treasury are not considered within the purview of Section 407 of the Foreign Assistance Act of 1971. Such items include the annual payment to the Republic of Panama, the annual payment to the Foreign Service Retirement and Disability Fund, and payments from the educational exchange permanent appropriation which includes World War I debt payments by Finland.

The budget authorization we seek will fund the operations of a Department which I must note has undergone personnel reductions amounting to some 19 percent since 1967. The impact of these cuts has been more severe than the base percentage figure indicates. While adjusting to this reduction we have had to preserve and in fact increase the level of resources allocated to consular functions because of the increased workload. Therefore, I believe that the authorization requested here is a realistic and essential minimum.

Before turning to questions, Mr. Chairman, I want to repeat my past statements offering the fullest cooperation of the Department of State with this Committee. Only if the Committee and the Department share a common basis of understanding can they perform their proper constitutional roles as components of the Legislative and Executive Branches. Other senior officers of the Department will be available to discuss their areas of responsibility in such detail as the Committee may wish.

TOTAL STATE DEPARTMENT EMPLOYEES

The CHAIRMAN. While you are on the last point, how many employees does the Department of State have now overall? You say you reduced it by 2,150 since 1967. What is the present total?

SECRETARY ROGERS. Mr. Macomber.

Mr. MACOMBER. Mr. Chairman, the present total is 14,561. That includes American and foreign national employees.

KEEPING COMMITTEE "FULLY AND CURRENTLY INFORMED"

The CHAIRMAN. Mr. Secretary, the Foreign Assistance Act, as you have noted in 1971, requires that the Department shall keep this committee "fully and currently informed" relating to all activities within the committee jurisdiction.

Can you tell us how the Department plans to carry out that requirement?

Secretary ROGERS. Mr. Chairman, I am very anxious and I know all of the members of the Department of State are very anxious to keep the committee fully abreast of developments in the foreign affairs field. We are prepared to meet with the committee as often as the committee would like to discuss subjects of interest to the committee. As much as possible we will consult with the committee in advance of any new developments. We have tried to do this during the last year and I have a compilation of the appearances that have been made, and they are substantial, not only by myself, but by the Under Secretary and the Assistant Secretaries of State.

I realize that there are areas of disagreement as to what should be made available to this committee, as there have been throughout the history of this Nation, and I was interested to know that the Supreme Court, I think on Monday, agreed to hear a case involving this whole question and I would hope that as a result of that decision by the Supreme Court that some of these different areas between the executive and the legislative branch could be straightened out.

Certainly there is no interest on the part of myself or any of us in the State Department to withhold anything from this committee and inasmuch as we can possibly do it we would like to consult with you in advance.

CRITERIA DETERMINING WHEN TO CONSULT COMMITTEE

The CHAIRMAN. Could you tell us the Department's criteria for determining when to consult the committee in advance on proposed executive agreements or other matters that are deemed worthy of consultation?

SECRETARY ROGERS. Well, the difficulty, of course, is in each instance but we try to do it as early as we possibly can. In some instances we

do it well in advance and in other cases we do it fairly close to the event. I am thinking particularly about the Azores Agreement because the Portuguese Government felt it was desirable to have those negotiations culminate before the meetings of the Azores. We gave the committee a fairly short notice and consulted with them only a few days ahead of time.

In the case of Bahrain we consulted a month or two ahead of time.

I think I can summarize it by saying I think we will do the best we can to bring the committee into these discussions at the earliest possible date depending on the attitude of the other governments to some extent.

The CHAIRMAN. I don't wish to belabor because I want to try to keep within 10 minutes on the first round. I wonder if you or your assistants would supply for the record more detailed information on the criteria you will use because this has become a very important matter.

Senator Case's bill on reporting executive agreements, as you know, has been passed, I think, almost unanimously by the Senate.

Secretary ROGERS. It was unanimously.

The CHAIRMAN. You can see the sentiment is very strong for this type of consultation, but I don't want to belabor the details.

(The information referred to follows:)

STATE DEPARTMENT CRITERIA FOR CONSULTATION WITH COMMITTEE (SUBMITTED BY DEPARTMENT OF STATE)

The Department of State recognizes the desirability of timely consultation between the executive and legislative branches with respect to the making of important treaties and executive agreements. It is our policy to initiate such consultation in each case as early as possible so as to insure that negotiations with other governments may be pursued along lines that will, to the extent possible, reflect both executive and legislative views.

The timing and extent of consultation is necessarily a matter for determination on a case-by-case basis. It depends on such factors as the kind and degree of commitment intended, the political sensitivity of the area involved, the effects on rights of individuals, the possible effect on domestic law, and in some cases the concerns of other governments. While retaining such freedom as appears essential for executive operations in the foreign affairs field, the Department will continue to make every effort to consult in a timely manner with the Senate Foreign Relations Committee and other interested Congressional committees whenever the importance of the negotiation warrants.

The Department's regulations, Circular 175, include the following provisions bearing directly on this matter:

723.1 Questions as to Treaty or Executive Agreement Form

Where there is any serious question whether an international agreement is to be made in the form of a treaty, with the advice and consent of the Senate, or in the form of an executive agreement made solely under the President's constitutional authority, under the authority of existing legislation or a treaty, or subject to the enactment of legislation by the Congress, the matter is brought to the attention of the Legal Adviser by a memorandum prepared by the officer responsible for the contemplated negotiations. This memorandum is routed to the Assistant Secretary for Congressional Relations and other officers concerned for their clearance and comment. Thereafter, whenever circumstances permit, consultations are held with appropriate congressional leaders and committees by the office responsible for the negotiations with the assistance of the Assistant Secretary for Congressional Relations to determine the most suitable way of handling such international agreements.

11 FAM 723.5 Coduct of Negotiations

The office responsible for any negotiations must ensure:

* * * * * * *

e. That with the advice and assistance of the Assistant Secretary for Congressional Relations, the appropriate congressional bodies are kept advised of the intention to negotiate any especially significant treaties or executive agreements and of important developments concerning them;

INFORMATION ON ALL AGENCIES INVOLVED IN FOREIGN POLICY REQUESTED

The CHAIRMAN. Mr. President, Mr. Secretary—

Secretary ROGERS. Take your choice.

The CHAIRMAN (continuing)—in the period since World War II there has been a proliferation of agencies involved in the working and conduct of foreign policy, which has seriously weakened the traditional role of the Department of State. Mr. Schultz, the Director of the Office of Management and Budget, whom we requested to testify, refused to testify concerning the overall size and scope of the machinery for the making and conduct of foreign policies that is in addition to the State Department. In his letter received yesterday, which I ask the reporter to include in the record, he said that he would "defer to the Department of State as the Department is best equipped to respond to the interests of the Committee." In other words, when we asked Mr. Schultz, who has this overall responsibility, he said we have to look to you not only for your direct activities but for all of those activities overseas, which I think relate to your responsibilities. I mean there has been much said, of course, about such things as the CIA activities and NSA and a number of others. As I believe I stated a moment ago, these other agencies have seven or eight times as many people likely in our embassies as the State Department does. Is that about correct? It is 21,000 roughly, I think.

Secretary ROGERS. We have about 16 percent, I think.

The CHAIRMAN. What?

Secretary ROGERS. State Department has about 16 percent.

The CHAIRMAN. This is what I meant. This is what I am getting at. Will the State Department supply the committee with all of the information it needs to carry out its legal responsibility under the Legislative Reorganization Act, including the operations of these other agencies?

Secretary ROGERS. I would like to see your request, Mr. Chairman, but I will make every effort to see that the committee gets all of the information that is appropriate.

The CHAIRMAN. You can see we are confronted by Mr. Schultz saying, "No, you have to go to the State Department." We have to come back to you.

Secretary ROGERS. I don't believe we will have a problem. I haven't seen your correspondence with him.

The CHAIRMAN. I only received it yesterday. I am going to put it in the record.

(The information referred to follows:)

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 6, 1972.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will acknowledge your letter with reference to hearings on the authorization for activities of the Department of State and the United States Information Agency. Your invitation is appreciated.

The very broad range of activities considered by the Office of Management and Budget makes it impossible to represent the Administration before the many authorization hearings being conducted by the Congress. The Administration, therefore, looks to the several Departments and agencies to represent it in these hearings.

For that reason, I respectfully defer to the Department of State as the Department best equipped to respond to the interests of the Committee.

Very truly yours,

GEORGE P. SHULTZ, *Director.*

FEBRUARY 18, 1972.

Mr. GEORGE P. SHULTZ,
Director, Office of Management and Budget,
Executive Office Building, Washington, D.C.

DEAR MR. SHULTZ: As you know, Public Law 92-226 requires the authorization of appropriations for FY 1973 of all activities of the Department of State and United States Information Agency.

The Committee on Foreign Relations will begin its consideration of the Administration's legislative proposals for the Department of State and U.S.I.A. on March 8 at 10:00 a.m. with testimony from Secretary of State Rogers. In order to put the authorization request in a broad perspective, the Committee invites you, or one of your associates, to testify at 2:30 p.m. on March 8 concerning the overall cost of implementing our nation's foreign policy. We would like to have testimony covering such factors as the number and cost of all personnel involved in foreign affairs activities, the cost of backing our security treaties, the cost of military and related activities abroad, and the cost of all foreign assistance programs. With the multiplicity of agencies involved in foreign affairs, it would be difficult, if not impossible, to appraise the State and U.S.I.A. authorization requests in the proper context without having this type of information, which only the Office of Management and Budget can provide.

Thank you in advance for your cooperation on this matter. Mr. Norvill Jones of the Committee staff is handling arrangements for these hearings and can be reached at 225-4618 if your staff needs additional information.

Sincerely yours,

J. W. FULBRIGHT, *Chairman.*

CONCEPT OF UNIFIED BUDGET FOR FOREIGN AFFAIRS

Mr. Secretary, what do you think of the concept of a unified budget for foreign affairs, one budget which would encompass the functions of all agencies relating directly to the making or implementation of foreign policy?

Secretary ROGERS. I would not favor it, Mr. Chairman. I think that the questions are too complex to determine what is involved in foreign policy and what isn't. Maybe 20 or 25 years ago it would have been feasible. Today foreign policy cuts across almost all agencies and departments of Government in one way or another; so I would not think it would be a feasible idea.

The CHAIRMAN. If it was a unified budget, it would give the State Department, assuming they would be the prime agency, some authority and control over these various agencies which impinge upon your conduct of foreign policy in any field. As you say, you are only 16 percent. Do you have any real control over these other agencies that inhabit your embassies around the world?

Secretary ROGERS. Yes, certainly to a considerable extent. The ambassador in each country is the responsible officer and is in charge of all activities of that country and that is clearly set forth. Now, of course, other departments have activities that they determine from here that we coordinate here.

The CHAIRMAN. If you controlled their budget, don't you think they would be more responsible?

Secretary ROGERS. Well, I think that is true.

The CHAIRMAN. Isn't that the whole purpose of this provision in the Foreign Assistance Act?

Secretary ROGERS. Yes. I think, Mr. Chairman, that I should say, and we can go into this in some detail if the committee is interested, that one of the things that has been overlooked in the last several years is how much more supervision or at least coordination we have in the political-military field than we ever had before, partly I think because of the interest of this committee. We are now going to have a Coordinator of Security Assistance in the Department of State. We have the machinery set up and I can provide for the record some of the things that have happened during this last year which is really quite different than it has been in the past.

(The information referred to follows:)

COORDINATION IN POLITICAL-MILITARY FIELD

(Supplied by Department of State)

Public Law 92-226, February 7, 1972, authorizes the establishment of position of Under Secretary of State for Coordinating Security Assistance. This position is to be at Executive Level III. The Coordinator, when appointed, is to be delegated all of the authorities and responsibilities conferred upon the Secretary of State by the Foreign Assistance Act of 1961 (amended), as well as all superseding legislation pertaining to security assistance. These responsibilities will include continuous supervision and general direction of security supporting assistance and military assistance programs to the end that such programs are effectively integrated, both at home and abroad, and the foreign policies of the United States are best served thereby.

The Department of State, in April 1971, created the Security Assistance Planning and Analysis Staff (PM/PA) in the Bureau of Politico-Military Affairs to provide staff support for the Department's responsibility for the continuous supervision and general direction of international security assistance programs. The staff has been charged with coordinating the work of the Department of State with the appropriate areas in the Department of Defense, the Agency for International Development, the Office of Management and Budget and other interested agencies and departments.

The responsibility of the Planning and Analysis Staff is to provide support for the Coordinator in the following areas:

a. To formulate, in coordination with other agencies, annual guidance to the Country Teams for the preparation of security assistance programs, including the establishment of the monetary value of each component of such programs.

b. To develop program alternatives in an attempt to achieve an optimal "mix" of the various programs.

c. To develop five-year planning guidelines, as well as to review and evaluate annual country field submissions.

d. To provide executive staff support for the inter-agency Security Assistance Program Review Committee, chaired by the Under Secretary of State, including the drafting of issues papers and program options.

e. To prepare draft legislation, Congressional presentation material, and in-depth analyses of security assistance requirements by receipient countries.

Secretary ROGERS. Almost all of these major activities now are coordinated with the Department of State and we have a very major role to play in them which was not the case five or ten or fifteen years ago.

HOOVER TYPE COMMISSION TO STUDY OVERALL FOREIGN AFFAIRS MACHINERY

The CHAIRMAN. What would be your reaction, Mr. Secretary, to a Hoover type commission to study this problem of the overall machinery for the government's foreign affairs?

Secretary ROGERS. Well, I am a little bearish on commissions. I wouldn't oppose it, I guess, but I think that by and large they take an awful lot of time and the results usually are fairly skimpy. But in the wisdom of Congress, if it wants to set up another Hoover Commission, I certainly wouldn't strongly oppose it.

The CHAIRMAN. You wouldn't object to it?

Secretary ROGERS. No.

RESPONSIBILITY OF NATIONAL SECURITY COUNCIL

The CHAIRMAN. One last subject.

Mr. Secretary, in his foreign policy report the President described the National Security Council as, "the principal forum for Presidential review, coordination and control of our U.S. Government activity in the field of national security and foreign affairs."

The National Security Act of 1947 which created the council states that the council function is, and I quote, "to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security."

There is nothing in the act which assigns the council any responsibility for coordinating and controlling the execution of foreign policy matters.

I ask, Mr. Reporter, to put in the record here the appropriate excerpts from the National Security Act of 1947 and from the debate in the Senate on it to complete the record.

(The information referred to follows:)

EXCERPT FROM THE NATIONAL SECURITY ACT OF 1947, PUBLIC LAW 253, 80TH CONGRESS, JULY 26, 1947 (61 STAT. 495)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

That this Act may be cited as the "National Security Act of 1947". [This statement of the short title is part of the first section of the Act of July 26, 1947, ch. 343, 61 Stat. 495. The remainder of that section is the table of contents, which is omitted as covered by the table of contents set forth at the beginning of this committee print.]

DECLARATION OF POLICY

SEC. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide a Department of Defense, including the three military Departments of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force under the direction, authority, and control of the Secretary of Defense; to provide that each military department shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense; to provide for their unified direction under civilian control of the Secretary of Defense but not to merge these departments or services; to provide for the establishment of unified or specified combatant commands, and a clear and direct line of command to such commands; to eliminate unnecessary duplication in the Department of Defense, and particularly in the field of research and engineering by vesting its overall direction and control in the Secretary of Defense; to provide more effective, efficient, and economical administration in the Department of Defense; to pro-

vide for the unified strategic direction of the combatant forces; for their operation under unified command, and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an overall armed forces general staff. [Section 2, Act of July 26, 1947, ch. 343, 61 Stat. 496, as amended by section 2, Department of Defense Reorganization Act of 1958, 72 Stat. 514; 50 U.S.C. 401.]

TITLE I—COORDINATION FOR NATIONAL SECURITY

NATIONAL SECURITY COUNCIL

SEC. 101. (a) There is hereby established a council to be known as the National Security Council (hereinafter in this section referred to as the "Council", [The National Security Council was incorporated into the Executive Office of the President by Reorganization Plan No. 4 of 1949, 63 Stat. 1067.]

The President of the United States shall preside over meetings of the Council: *Provided*, That in his absence he may designate a member of the Council to preside in his place.

The function of the Council shall be to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

The Council shall be composed of—

(1) the President;

(2) the Vice President;

(3) the Secretary of State;

(4) the Secretary of Defense;

(5) [Formerly the Director for Mutual Security. All the functions of the Director for Mutual Security, including his functions as a member of the National Security Council, were transferred to the Director of the Foreign Operations Administration by section 2(a). Reorganization Plan No. 7 of 1953, 67 Stat. 640. The office of Director of the Foreign Operations Administration and the functions of the Director in his capacity as a member of the National Security Council were abolished by section 303, Executive Order No. 10610, May 9, 1955, implementing section 525, Mutual Security Act of 1954, 68 Stat. 856.]

(6) [Formerly the Chairman of the National Security Resources Board. Most functions of the Chairman, including his functions as a member of the National Security Council, were transferred to the Director of the Office of Defense Mobilization by section 2(a), Reorganization Plan No. 3 of 1953, 67 Stat. 634. The functions of the Director of the Office of Defense Mobilization as a member of the National Security Council were transferred to the Director of the Office of Defense and Civilian Mobilization by section 4, Reorganization Plan No. 1 of 1958, 72 Stat. 1800. The title of this office became Director of the Office of Emergency Planning by the first section of the Act of September 22, 1961, Public Law 87–296, 75 Stat. 630]; and

(7) the Secretaries and Under Secretaries of other executive departments and of the military departments, when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure. [The former memberships of the Chairman of the Munitions Board and of the Chairman of the Research and Development Board terminated when those offices were abolished by section 2(b). Reorganization Plan No. 6 of 1953, 67 Stat. 638.]

(b) In addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to the national security, it shall, subject to the direction of the President, be the duty of the Council—

(1) to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith; and

(2) to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

(c) The Council shall have a staff to be headed by a civilian executive secretary who shall be appointed by the President, and who shall receive compensation at the rate of $———— a year. [The compensation of the Executive Secretary of the National Security Council is now governed by section 105 of title 3, United States Code, which authorizes the President to fix rate of basic compensation of the Executive Secretary at a rate not to exceed that of level II of the Federal Executive Salary Schedule ($30,000). See section 5313 of title 5, United States Code.] The executive secretary, subject to the direction of the Council, is hereby authorized, subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such personnel as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions.

(d) The Council shall, from time to time, make such recommendations, and such other reports to the President as it deemed appropriate or as the President may require. [Section 101, Act of July 26, 1947, ch. 343, 61 Stat. 496, as amended by section 3, National Security Act Amendments of 1949, 63 Stat. 579, and section 501(e)(1), Mutual Security Act of 1951, 65 Stat. 378; 50 U.S.C. 402.]

[From the Congressional Record—Senate, July 9, 1947, pp. 8520–8521]

DEBATE IN THE SENATE ON THE NATIONAL SECURITY ACT OF 1947

Mr. TAFT. Mr. President, I have been somewhat concerned in reading title I, Coordination for National Security, and the language with regard to the National Security Council. The language might justify the idea that all domestic and foreign policies were to be subordinated to the military exigencies. On page 31, line 20, the bill reads:

"The function of the Council shall be to advise the President with respect to the integration of domestic, foreign, and military policies"—that covers all kinds of policies; it covers every policy with which Congress deals—"so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security."

That merely states a result. I have suggested to the distinguished chairman of the committee, the Senator from South Dakota [Mr. Gurney], that we should insert in line 22, after the word "policies," the words "relating to the national security." I think that is clearly the intention of the bill, and I call attention to the fact that in the preamble in section 2, page 30, it is said distinctly that the purpose is "to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security."

The same question arises as to page 32, where, in paragraph (b), the bill reads:

"In addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies of the departments and agencies of the Government"—that is not qualified in any way; it means all functions and policies of the Government—"and their functions relating to the national security."

Again it seems to me it should be made clear that the limitation relating to the national security should apply to the policies as well as to the functions of the other departments of the Government.

Therefore, Mr. President, I move that on page 31, line 22, after the word "policies", the words "relating to the national security" be inserted, and on page 32, line 11, after the word "policies", the words "and functions" be inserted, and in line 12, that the words "and their functions" be stricken out, so that the qualification relating to the national security may apply to the policies as well as the functions of the department.

The PRESIDENT pro tempore. Without objection, the amendments will be considered en bloc.

Mr. TAFT. That is correct; it is all one question.

Mr. GURNEY. Mr. President, certainly it is not the intention of the committee, or anyone having anything to do with the bill, to provide that the National Security Council should do anything other than consider questions of national security. Personally I am glad the Senator from Ohio has brought up this amendment. I have conferred with other members of the committee, and all

of us have agreed that not only do both the amendments make the purposes of the bill clearer, but we also thank the Senator from Ohio for a little better language. Therefore I am perfectly willing to accept both the amendments.

Mr. McMAHON. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. McMAHON. I fully approve the Senator's amendment, except that I should like to point out that I do not think he has helped the situation very much by putting in the language "relating to the national security." Was not that the language suggested by the Senator?

Mr. TAFT. Yes.

Mr. McMAHON. As I see it—and I think the Senator will agree—that is all-encompassing. I think of no policy having to do with our national existence, our Government, or our national life, that would not come within that language.

Mr. TAFT. I think it is a question of degree. Many policies might, but I think most of the domestic policies which we are considering—the question of taxation, questions raised by the labor bill, and the like—can hardly be said to relate to the national security in the sense in which those words are used in the bill.

I see no reason why the Council should not volunteer its advice as to something if it thinks it does relate to the national security, but I do not want Congress to be on record as saying that the Council can consider things which do not relate to the national security, and I am afraid that unless the amendment is made, that claim could well be asserted.

Mr. HILL. Mr. President, I think the Senator's amendment is a good one, and I certainly think the amendment, read in connection with the declaration of policy in the very beginning of the bill, makes it clear that the whole procedure and machinery are tied to the national security.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Ohio [Mr. Taft] to the amendment of the committee.

The amendment to the amendment was agreed to.

INTENT OF CONGRESS IN AUTHORIZING NATIONAL SECURITY COUNCIL

The CHAIRMAN. Mr. Secretary, do you think that Congress in authorizing the creation of the National Security Council intended for the Council to assume the role in foreign policy that it now has?

Secretary ROGERS. Yes, I think so, Mr. Chairman. I think that you must keep in mind that the National Security Council as the President's report indicates is a forum for presenting different views on important questions of foreign policy.

Now, the security council itself does not make decisions; no votes are taken; and no decisions are taken there. The decisions that are made are made by the President of the United States. Under our constitutional system he is responsible for the conduct of foreign policy as far as the executive branch of the government is concerned and others are his advisers and helpers and we implement decisions he makes. Somehow the idea that others should make foreign policy—the Secretary of State should make foreign policy—is not what the Constitution intended.

We play a role in it; the Secretary of Defense plays a role in it; Mr. Kissinger plays a role; and others—CIA and so forth—but the President is the man who makes foreign policy. It happens in this case President Nixon is one of the best qualified Presidents in the foreign affairs field we ever had. He was very active as Vice President of the United States and traveled throughout the world, in private business he did, so he is very knowledgeable in the field and he has taken a very keen interest in foreign affairs. The result is, I think,

that our foreign policy is a very successful one and as far as we are concerned we are happy to play a part in that process.

The people elect the President of the United States. They don't elect the Secretary of State. They elect the President and he is responsible for the conduct of foreign policy and I think that it has worked well.

I think the State Department has played an essential and vital role in that process. Any fair reading of this report and the activities of the Department of State will force you to that conclusion. To me the significant thing is that the general public, I think, strongly supports the foreign policy of President Nixon and we have a team that is functioning well. It is successful; and I am perfectly satisfied with the way it is operating.

The CHAIRMAN. My time is up.

CONDUCT OF FOREIGN RELATIONS NOW

Mr. Reporter, I put in the record at this time an article by Mr. Charles Yost, "A Look at How Foreign Relations Are Conducted Now."

(The information refered to follows:)

[From the Washington Post, Jan. 20, 1972]

IMPRESSIONS FROM THE ANDERSON PAPERS—A LOOK AT HOW FOREIGN RELATIONS ARE CONDUCTED NOW

(By Charles W. Yost*)

It is with considerable astonishment and uneasiness that I have been reading the "Anderson Papers" and the accumulating mass of editorial comment upon them. Never in my 35 years of government experience, during which I took part in a very large number of White House and State Department gatherings of the sort reported in those papers, did I ever encounter meetings quite like these appear to have been.

There are several things that strike me about them. First is the extent to which they were dominated by one person—not the President, the Secretary of State or the Secretary of Defense, but the national security adviser, Dr. Henry Kissinger. He did about three-quarters of the talking, and his tone was frequently that of a professor addressing a rather backward class. That the class was skeptical about the line he was taking is apparent from numerous commments by senior representatives of the State and Defense Departments, but any hint of active dissent was peremptorily suppressed by invoking the wishes of the President.

Of course, the Anderson Papers report only a small fragment of the whole story. One can only hope that there were earlier meetings of the National Security Council at which the responsible cabinet officers and officials, more knowledgeable about India and Pakistan than Dr. Kissinger, had an opportunity to present their dissenting views directly to the President, and at which he presumably overruled them.

There is, however, no reference in the Anderson Papers to any NSC discussion and having in mind White House modus operandi in recent years, one cannot frankly be confident the President was ever exposed in depth to the arguments for a policy different from the foolish one he pursued.

While presidential decisions obviously must be accepted and carried out, no practice in government is more pernicious, or indeed more harmful to the President himself, than to inform the bureaucracy that his mind is irrevocably made up and that they better confrom—or else.

This leads to my second impression on reading the Anderson Papers. There seemed to be an element almost of hysteria running through these meetings. There is a frantic floundering about to find means to make work a policy which has obviously failed and which its proponents, being intelligent men, are prob-

ably beginning to suspect, though of course not to admit, should never have been adopted in the first place.

Dr. Kissinger is quoted in the papers as saying on December 8 that "one could make a case that we have done everything two weeks too late in the current situation." The fact is that "everything" was done at least six months too late.

The time to have elected, both directly on the government of Pakistan and indirectly by bringing the issue to the United Nations Security Council, was in the spring, when the magnitude of Pakistani President Yahya Khan's atrocities in East Pakistan, and the political repercussions they were bound to have if uninterrupted, could already have been clearly foreseen.

One columnist has claimed that during all those earlier months the White House left the India-Pakistan crisis in the hands of the State Department, and did not itself become involved until just before war broke out.

This rather childish ploy to shift the blame seems highly implausible, first, because that is not the way the White House operates under this administration, and second, because Dr. Kissinger himself conferred with the leaders of both India and Pakistan on his way to Peking in July. He could hardly have been unaware of what was going on at that time.

One must admit, however, that setting up a second State Department inside the White House, as the Nixon administration has done, is bound to cause immense confusion and may have contributed to the mishandling of this critical issue.

Dr. Kissinger is reported as inquiring in the same meeting on December 8: "Can we allow a United States ally to go down completely while we participate in a blockade?" The real question is whether Pakistan was or should have been any more of a United States ally than India.

In a formal sense it was, since Pakistan is still technically a member of the moribund SEATO. In the past, however, the United States has always been as close to India as to Pakistan, sometimes closer. It was the foolish tilting of the balance toward Pakistan by the White House in 1971, perhaps because of its obsession with the Peking visit, that turned India into a formal ally of the Soviet Union in August. And that, since it was a consequence of its own miscalculation, was what produced the near-hysteria in the White House, and the futile lashing out at India and at the United Nations which followed.

So, while the Anderson Papers did not reveal anything about United States policy which was not already known, they did show how the present machinery and style of conducting foreign relations can lead to very serious errors. Of course, if United States administrations would get over the illusion that only a handful of people at the top know what the United States' interests abroad really are, and that foreign policy is best conducted behind double-locked doors, neither Pentagon nor Anderson Papers would be needed, and some future disasters might be avoided.

MANDATORY AND NONDISCRETIONARY COSTS

Senator CHURCH. Mr. Secretary, in your statement, you mention that this proposed authorization involves 241 fewer positions than last year and, since 1967, the Department of State has abolished 2,150 positions at home and abroad. You go on "While our total costs have increased during the past few years, these increases have been chiefly due to mandatory and nondiscretionary costs."

Why in view of the elimination of this many positions have costs gone up? What are these mandatory and nondiscretionary costs?

Secretary ROGERS. Well, there are many, but I would say the principal ones are in increases overseas for buildings and so forth; communication costs are much greater than they were; pay increases for governmental employees; the wage increases for foreign nationals have gone up; and also you will see that in the charter for international organizations, the contributions that we have to make which are mandatory have gone up considerably.

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*The writer is a former State Department official who held several ambassadorships and was chief U.S. representative to the U.N.

JUSTIFICATION FOR INCREASED AUTHORIZATION IN VIEW OF DEFICIT

Senator CHURCH. This authorization is for $563,354,000, which compares with the appropriations of $504,053,000 for fiscal year 1972. Your authorization bill, then, is about 10 percent higher than last year. If you were a Senator, how would you justify a 10-percent increase at a time when the Federal Government is sustaining a $45 billion deficit?

Secretary ROGERS. Well, I think that, if I were a Senator I would justify it.

I wouldn't like it and I am sure you don't and I am sure none of us do. But I would justify it on the ground that there is inflation. We have had inflation over the years, and in addition to that, if you will look at the request you will see a very sizeable chunk of that is for contributions to international organizations—$28 million—and another $12 million is for mutual education and cultural exchange activities, which I strongly support.

I think we should have even more money for that purpose and I would say that in view of the fact that our reduction in our personnel has been considerable over the years, that this is a very modest increase for the Department of State.

It would be nice if government expenditures had not gone up, but they do.

IS YEARLY TEN PERCENT INCREASE MODEST?

Senator CHURCH. You would regard a 10 percent increase a year a modest increase for the Department?

Secretary ROGERS. Well, I don't consider it excessive in view of the factors that I mentioned.

Senator CHURCH. Mr. Secretary——

Secretary ROGERS. As I say, some of these things are really not for the Department. The contributions to the international organizations just happens to be in our budget, but it isn't a Department of State contribution.

PRESIDENT'S ORDERED REDUCTION IN U.S. PERSONNEL ABROAD

Senator CHURCH. I recall that, shortly after President Nixon took office, he ordered a 10 percent across the board reduction in American personnel abroad, which reflected a general feeling that many of our cadres in foreign countries were excessively large.

Has the State Department fully complied with that order?

Secretary ROGERS. Yes, Senator, we have. I will let Mr. Macomber answer that because he has the details. We have cut down by 19 percent.

Mr. MACOMBER. That is correct, Mr. Secretary.

Senator CHURCH. How does that compare with other federal agencies overseas, such as U.S.I.S., foreign aid, and the other principal agencies?

Mr. MACOMBER. With respect to the other principal agenices, they have had comparable cuts?

Senator CHURCH. They have had comparable cuts?

Mr. MACOMBER. Yes.

COMMENDATION OF PRESIDENT'S TRIP TO CHINA

Senator CHURCH. Mr. Secretary, you have just come back from a historic trip to China. I would like to say for the record that President Nixon deserves great credit for having undertaken this journey. For 20 years, our fixation that China was a demon over which the United States should stand guard for Asia has been, in my judgment, the root cause for our marathon involvement in wars on the mainland of Asia. The President has acted to help dispel that fixation. His trip to China was indispensable to the formulation of a new American policy that could write an end of further American involvement in wars of endless attrition on the Asian mainland and, for your part in that, for the President's leadership in that, I want to express my admiration.

STATE DEPARTMENT THINKING REGARDING SEATO TREATY

Looking back on that fixation which for so long dominated our thinking concerning Asia, the China demon fixation, there is no relic of the old policy so noble than the SEATO Treaty. Here is a treaty honored only in the breach, a treaty that the principal signatories disregarded during the long period of our involvement in Indochina and a treaty that Mr. Bhutto, President of Pakistan, repudiated in his public interview with C. L. Sulzberger in the February 13 New York Times.

Is the State Department seriously reviewing the question of whether we are or are not to maintain this treaty indefinitely? Are you seriously considering taking action that would withdraw the United States from the SEATO alliance? Are you considering a decent burial of an institution that has had very little to no life in it for a long, long time? In the wake of the trip to China, what is State Department thinking?

Secretary ROGERS. Senator, first let me thank you for your comments about the President's China policy. I agree. I think it was long overdue. I think it was a courageous act on his part to take and that it worked out very well. It will provide a foundation for improved relations with the People's Republic of China and hopefully reduction of tensions in the area.

As to the second part of your question, as a corollary of the new policy, it is important to maintain our commitments, not to suggest to our friends and allies that we have done a 180 degree turn; our policy in the foreign affairs field is one of continuity but reasonable change, too, and, therefore, at the present time we intend to support the treaty commitments that we have in the Pacific area.

ARE COMMITMENTS TO BE MAINTAINED REGARDLESS OF RELEVANCY?

Senator CHURCH. You mean that treaties which were entered into 15 or 20 years ago, a time when we viewed our role in Asia very differently than what we view it now, are not to be reexamined? You mean that every commitment we have made out there is going to be maintained regardless of its continuing relevancy?

Secretary ROGERS. No, I do not, Senator. I don't think we should consider any aspect of foreign policy as existing in perpetuity, that it is permanent and will never be changed. On the other hand, I think

we have to make changes and make them very thoughtfully and in an orderly way and in a way that we think is conducive to stability in the area. Any suggestion now that we were going to renounce or abrogate any of our treaty obligations in the Pacific area would be quite dangerous and I would not want to leave this impression.

On the other hand, I would not want to leave the impression we would never under any circumstances reconsider arrangements we have in any area of the world.

Senator CHURCH. Well——

Secretary ROGERS. In other words, we are constantly reexamining our policy.

REVIEW OF TREATIES BY COMMITTEE SUGGESTED

Senator CHURCH. No country in history has undertaken so many formal commitments to other governments than the United States; we have formally committed ourselves to the defense of 44 foreign governments, a process unprecedented since the time of Rome. It is this committee's responsibility to reassess our policy and to reconsider whether all of these treaties are any longer serving the best interests of the United States. I would hope, Mr. Chairman, that this committee would undertake to review these treaties. They are not treaties in perpetuity, and it would be childish to so regard them. Each, in fact, contains a provision for withdrawal on due notice.

Secretary ROGERS. That is what I said. We don't consider anything in perpetuity in foreign affairs.

NO ACTIVE CONSIDERATION OF CHANGES IN PRESENT TREATIES

Senator CHURCH. But you are not actively considering any changes in our present treaties?

Secretary ROGERS. No; and I think it would be very unfortunate to convey that impression now that we are in view of the President's visit to China. I would not want to leave the impression we are not reviewing our global position on a regular basis in all areas of the world.

On the other hand, I wouldn't want to leave the impression, and it would be most unfortunate if the impression was created, because we had a visit to China that has been successful, that we are thinking of renouncing the treaty obligations that have been in existence for a long time and on which countries have based their foreign policy.

Senator CHURCH. That is all.

The CHAIRMAN. Senator Aiken?

EMPLOYEES INCLUDED IN STATE DEPARTMENT ESTIMATE

Senator AIKEN. I notice, Mr. Secretary, that the Department estimates they will have 14,000 employees this year. Does that include foreign employees, too?

Secretary ROGERS. Yes, Senator.

Senator AIKEN. That includes foreign employees as well as natives?

Secretary ROGERS. Yes, sir.

Senator AIKEN. It does not include the employees under AID or USIS?

Secretary ROGERS. No.

Senator AIKEN. Or those agencies which are particularly, I believe, associated with the State Department and that far outnumber State Department employees. Is that correct?

Secretary ROGERS. That is correct.

Senator AIKEN. I see.

U.S. OWNED FOREIGN CURRENCY

I have also noticed that we own about $1,800 million worth of foreign currency. About half of it is in India and most of the rest of it is in Poland, Pakistan, and the United Arab Republic.

Also I note that we purchase nearly $3 billion worth of foreign currency each year. Do we have to do that because we cannot spend the foreign currency which we own in foreign countries? What is the reason we don't spend some of those rupees and zlotis and others?

Secretary ROGERS. I will let Mr. Macomber answer that.

Senator AIKEN. Why don't we spent some of the currencies of Pakistan and the United Arab Republic?

Mr. MACOMBER. The answer is wherever we can use local currencies of one country in another country we do, but the purchasing power of many of these local currencies is good really only in their own country. Only to a very limited extent can we use them outside of their own country.

Senator AIKEN. Doesn't that apply to dollars, too?

Mr. MACOMBER. No; a dollar will purchase everywhere.

Senator AIKEN. I see.

Secretary ROGERS. I might say on that score we have had a very exhaustive study made particularly about the rupees in India to see what could be done because we do have a large accumulation.

Senator AIKEN. Almost half of the total?

Secretary ROGERS. That is right. It is a very complicated problem and I will be glad to make a report to the committee on the subject, but I think we have spent all of the rupees we can in India under the present circumstances.

(The information referred to follows:)

EXCESS INDIAN RUPEES

(Supplied by Department of State)

As of December 31, 1971, United States Government balances of rupees in India amounted to the equivalent of about one billion dollars, of which $837 million was available for U.S. agency use. In addition, the US holds claims for principal and interest on loans of about $3.8 billion in rupees. These rupee balances and claims arise from the sale of PL–480 foodgrains and repayments on various development loans. The balances are growing larger, as the inflow of loan repayments and interest charges greatly exceeds our expenditures for U.S. uses. At current rates of expenditure for U.S. uses, it is estimated that our balances would rise over the next 40 years to the equivalent of around five billion dollars in the year 2010.

U.S.-owned rupees are used for essentially all official U.S. Government expenses and personal expenses of American employees in India, such as salaries of local employees, allowances for American employees, real property acquisition and maintenance, international transportation, U.S. annuitant payments, contributions to international organizations, and sale to U.S. citizens. During fiscal year 1971, approximately 50 million was used directly or indirectly ($12 million) by conversion to other currencies for United States uses. Both the U.S. and Indian Governments restrict the expenditure of U.S.-owned excess rupees. Appropria-

tions, including special foreign currency program apropriations, for U.S. Government agencies operating in India are made only in dollars which are converted into U.S.-owned rupees to meet local currency needs. Outside the regular appropriation process, the Office of Management and Budget has the authority under a special proviso in P.L. 480 to approve the use of excess currencies for certain purposes without appropriation. However, the Indian Government must agree also to any economic development projects funded in this manner, and for various administrative reasons on both sides, this avenue for spending excess rupees has been limited. During the fiscal year 1971, about $138 mililon was spent for non-appropriated purposes, mostly for economic development projects.

However, prevailing opinion in the two countries looks upon the large rupee holdings differently. On the U.S. side they normally are considered usable assets which could help ameliorate our mounting balance of payments difficulties. On the Indian side the rupees are thought of as a continuing drain on the country's resources which must not be allowed to aggravate the perpetually serious financial situation.

While U.S. holdings of surplus Indian rupees are expected to rise as pointed out above, after 1972 no additional rupees will accrue from new P.L. 480 sales agreements because the shift from local currency to dollar credit terms required by P.L. 480 as amended will complete by then.

Senator AIKEN. I shouldn't be asking these questions because I believe I am on a committee to approve the expenditures of rupees and other foreign currencies.

Secretary ROGERS. I think you are.

Senator AIKEN. That commission doesn't meet very often though.

Mr. Chairman, I have here lists which show where we hold foreign currencies and where we bought foreign currencies for our own use. Nearly all the currencies we own are in four countries. It is interesting to see what these currencies are being used for.

I have here a report of U.S. Government overseas dollars and foreign currency expenditures for fiscal year 1971, which was furnished by the Treasury Department.

It seems to me it might be a good idea to have this inserted in the record so that it will be clear where our expenditures in other countries are made and for what they are made.

The CHAIRMAN. OK.

Senator AIKEN. Any objection?

The CHAIRMAN. Without objection. (See appendix.)

Secretary ROGERS. If there are questions about that that you would like to include with that we will be glad to provide answers, we have them.

Senator AIKEN. I think the question should be what progress is being made in spending these excess currencies. I realize they have been derived through the sales of farm commodities on credit or mostly on credit. I realize, too, that Public Law 480, as it is called around the world, officially Food For Peace here at home, which use to cost us about $2 billion a year now costs about $1 billion a year. While we have been making those sales and reducing the cost of those sales on credit, our sales of agricultural commodities for cash in other countries has increased something like 300 or 400 percent. So we are definitely the gainer out of that program.

INCREASE IN COST OF OPERATING STATE DEPARTMENT

How much has the cost of operating the State Department gone up in the last four years? Do you have any idea?

Mr. MACOMBER. About $143 million in the last 4 or 5 years.

Those major increases would be in our contribution to international organizations rather than the cost to the State Department. The State Department over those four years has contracted and the only increase that we would have would be the kind of mandatory increases that the Secretary spoke of.

Senator AIKEN. That would be aid to Bangladesh, for instance, and other countries?

Secretary ROGERS. It is in our contribution to the United Nations. Aid to Bangladesh is in the Foreign Assistance Act.

Senator AIKEN. That is a special appropriation.

Mr. MACOMBER. Yes.

Senator AIKEN. What would the increased cost of the State Department amount to as a percentage?

Mr. MACOMBER. Of just the State Department as opposed to these?

Senator AIKEN. It has gone up $143 million and you are asking for $555 million. Since 1968 it has gone up from $401 million to $555. That is about 30 percent.

Another question comes to mind. You may not be able to answer it. Do you know by what percent the cost of Congress has increased since 1968?

Mr. MACOMBER. Senator, I can't testify about the congressional increases, but I can supply for the record the increases of the last five years.

But, I think this will give you a feel for it. Let's take this last year as rather typical. Let me break out the part of this $555-odd million requested, that is, take out the part that really funds the State Department as opposed to other things that are in our budget. That will be our salaries and expenses item. The salaries and expenses request this year is for $250 million and last year it was $244 million. That is an increase of about $6 million. That is about the type of increase we have been having annually in our request for our salaries and expenses in the State Department. It has actually each year funded, except for one year, it has funded less people and those are mandatory inflationary costs that go up to support a smaller Department each year.

Senator AIKEN. I may have been looking at the wrong column here. I notice the $555 million figure you estimate for 1973. From 1968, State Department appropriations of $401 million went up to $495 in 1972. That is a 20-percent increase.

Mr. MACOMBER. Yes. What you have is in addition to the salaries and expenses, which is about half of the total request before this committee. There are 15 other requests. The one that is the most expensive is the one which involves our contributions to international organizations and that is one that goes up about $25 million a year.

Senator AIKEN. I wanted to make sure that the pots and kettles don't get into an argument. I think that all costs, personnel costs and everything else, have gone up accordingly, but you think there is chance for improvement.

COMPARATIVE PERSONNEL OF STATE DEPARTMENT AND OTHER AGENCIES

These other agencies like the Peace Corps, USIS, I believe, have about three times as many employees as the State Department itself; don't they?

Mr. MACOMBER. Collectively but not any individual agencies.
Senator AIKEN. Collectively.
Mr. MACOMBER. Yes, sir.

STATE DEPARTMENT'S EFFECTIVENESS WITHOUT RESPONSIBILITY FOR OTHER AGENCIES

Senator AIKEN. Would the State Department be able to function better and perform its purpose if it didn't have at lease partial responsibility for all of these other agencies and employees?

Secretary ROGERS. No; I think on the contrary, Senator, it is essential that we have this relationship with those agencies. If it were not so it would be, I think, harmful.

QUESTION OF INCREASES IN BUDGET REQUESTS

Let me go back, if I may, to your basic question about the increases. I think that the committee will find when it examines these requests that our budget is about the tightest budget in the Government and the appropriations committees that have worked on this over the years really are quite aware of that. We have very little questioning usually on the major items of our budget. The items that go up, as Mr. Macomber says, are items over which we have no control, with some exception. We have increased the amount of appropriations for cultural and educational exchange partly as a result of the prodding by the chairman, but certainly because we all support it. But the budget of the State Department, which consists largely of salaries and expenses, is a very tight budget. If there is any criticism to be made of the direction which it has taken over the years, maybe it is too tight, maybe as the chairman said, the fact that the State Department has a smaller amount of money vis-a-vis the other departments to spend has resulted in some erosion of our influence. I don't believe that is the case. I hope it isn't. But I think you could make an argument to that effect.

Senator AIKEN. Mr. Chairman, I have used my time. I will yield.
The CHAIRMAN. Senator Symington.
Senator SYMINGTON. Thank you, Mr. Chairman.

SIGNIFICANCE OF RADIO FREE EUROPE AND RADIO LIBERTY

Mr. Secretary, you mentioned your foreign policy report. We didn't find anything in it that had to do with Radio Free Europe, or Radio Liberty. Are these programs devoid of political significance, foreign policy significance?

Secretary ROGERS. No; we think it is important and we, of course, have testified to that effect. It is not under the aegis of the State Department. That is why we didn't include it in our foreign policy report.

CHINA COMMUNIQUE AND RFE AND RL OBJECTIVES

Senator SYMINGTON. Do you see any inconsistency between some of the language in the China Communique and the objectives of Radio Free Europe and Radio Liberty?

For example, the communique states: "The United States supports individual freedom and social progress for all of the peoples of the world, free of outside pressure or interference."

The Library of Congress tells us the following about Radio Free Europe. "Policy of Radio Free Europe in its political broadcasts is to press for reform within the prevailing Communist system in East Europe."

How does this kind of objective in Europe square with the recent United States-China Communique?

Secretary ROGERS. Well, we do not consider it is interference in the internal affairs of another country. We think it is a desirable activity to engage in and we think it should be continued.

HAS SETTING UP RADIO FREE CHINA BEEN CONSIDERED?

Senator SYMINGTON. Has the executive branch considered setting up a Radio Free China?

Secretary ROGERS. No, we have not.

TREATMENT OF CHINA AND U.S.S.R. AND EASTERN EUROPEAN COUNTRIES

Senator SYMINGTON. Is there a difference between the way we treat China and the way we treat the U.S.S.R. and Eastern European countries with whom we have had direct relations for many years?

Secretary ROGERS. Well, I suppose, Senator, that I would have to answer that question this way. There are differences in our relations with all countries. No two countries are alike, and consequently the relations we have with them differ. I think the answer has to be "Yes," but that is true in all of our relationships.

SHARING BURDEN OF RADIOS

Senator SYMINGTON. Mr. Secretary, in terms of general foreign policy guidelines, this administration emphasized a "low profile" and the concept of "shared responsibility," which we understand to be the key to the Nixon doctrine.

How do Radio Free Europe and Radio Liberty monitored into the Soviet Union fit into these general guidelines? Why, for example, shouldn't our European allies be willing to carry much of the financial burden for Radio Free Europe and Radio Liberty; or is it that our European friends are concerned about censorship in Eastern Europe but only to the extent that the United States is willing once again to pick up the tab for the radios and take alone diplomatic flak that comes from their operations?

Secretary ROGERS. Senator, on the question of burden sharing, as you know, I have said on numerous occasions I think our European allies should do more in terms of burden sharing. They have done more in several fields in the last year. This is something we would be happy to look into.

Senator SYMINGTON. Thank you.

Secretary ROGERS. I think it is a fair comment that probably over the years we have carried to large a share of the burden.

Senator SYMINGTON. To the best of my knowledge in this case we have carried it all; haven't we, over a period of years?

Secretary ROGERS. Well, I was speaking about the general burden.

Senator SYMINGTON. I see.

CONTRACTUAL ARRANGEMENTS BETWEEN RADIOS AND FOREIGN GOVERNMENTS

Have there been any contractual arrangements between the radios and foreign governments and, if so, how does the Department refer to these agreements? Are they formal government-to-government agreements or are they something else?

Secretary ROGERS. Senator, I don't actually know the answer to that. I will supply the answer to that.

(The information referred to follows:)

AGREEMENTS FOR RFE AND RL OPERATIONS

(Supplied by Department of State)

There are no government-to-government agreements between the United States and the countries where FRE and RL facilities are located. The broadcast operations in the Federal Republic of Germany are carried out under the terms of licenses granted directly to the two radios by the Federal Minister for Post and Telecommunications. These licenses are renewable annually. Office quarters and transmitter sites in the Federal Republic are leased from state and local governments by the radios. The cost for the annual licenses and leases in the Federal Republic are $16,000 for Radio Liberty and $33,000 for Radio Free Europe or a total of $49,000. The agreements with the Governments of Spain, Portugal, and the Republic of China are, likewise, not government-to-government agreements.

Secretary ROGERS. Radio Free Europe and Radio Liberty have not been part of the State Department so I am not as up to date on its activities as I should be. We have testified on the matter and we will be glad to supply any further information we can.

Senator SYMINGTON. As we understand it, for the privilege of these broadcasts, we pay Spain $285,000 a year; and we have a contract with Portugal for $700,000 for the next 10 years.

Do you know about that?

Secretary ROGERS. In a general way. But I will be glad to supply for the record any information that you care for.

(The information referred to follows:)

PAYMENTS TO FOREIGN GOVERNMENTS FOR RFE AND RL BROADCASTING

(Supplied by Department of State)

Radio Free Europe's transmitters in Portugal are operated under a lease-contract arrangement with the Portuguese Government. Under this agreement, which is valid until April 30, 1973, RFE pays $100,000 annually.

The transmitter site for Radio Liberty in Spain is leased from the Spanish Government at an annual cost of $285,000. The lease is valid until January 30, 1976. Transmission facilities on Taiwan are leased from the Republic of China at an annual cost of $144,000. These facilities are the property of the Republic of China and use-time on them is rented.

Total amounts paid to foreign national, state and local governments for leases on transmitter sites and transmission facilities (including those in the Federal Republic of Germany) is $578,000 annually.

Senator SYMINGTON. Thank you, Mr. Secretary.

STATE DEPARTMENT'S AUTHORITY OVER VOA

Does the Voice of America report to the State Department?

Secretary ROGERS. Yes. It is under USIA and we do have that kind of reporting system and we have general supervision over the content.

Senator SYMINGTON. Specifically, is Mr. Shakespeare under your authority?

Secretary ROGERS. Yes.

WHAT DO RFE AND RL DO THAT VOA COULDN'T?

Senator SYMINGTON. Could you explain to us what Radio Free Europe and Radio Liberty do that couldn't be done by the Voice of America?

Secretary ROGERS. I will let Mr. Abshire answer that question because he has been following this more closely than I have.

Mr. ABSHIRE. Senator, Radio Free Europe and Radio Liberty are broadcasting about events within Eastern Europe and the Soviet Union whereas the Voice of America has a much broader scope of activity.

Senator SYMINGTON. Does the Voice of America broadcast at all into Eastern Europe?

Mr. ABSHIRE. They broadcast into Eastern Europe.

Senator SYMINGTON. Why couldn't they broadcast the same things that Radio Free Europe——

Mr. ABSHIRE. The program content is different.

Senator SYMINGTON. We know one was run by the Central Intelligence Agency and one isn't.

Does the Voice of America broadcast into the Soviet Union?

Mr. ABSHIRE. Yes, it does.

Senator SYMINGTON. Then, unless there is something going on contrary to the Nixon doctrine, why can't the Voice of America do the work that Radio Free Europe and Radio Liberty are doing, and save some money for the taxpayers?

Mr. ABSHIRE. The experts that have studied that have felt that that would produce an erosion in the functions of RFE–RL.

(Additional material subsequently supplied follows:)

COMPARISON OF VOA WITH RFE–RL

(Supplied by Department of State)

The Voice of America is comparable with Radio Free Europe and Radio Liberty only in that all three are international broadcasters. RFE and RL are completely separate entities and not a part of much larger organizations. They do not receive administrative support of the type VOA receives from USIA, GSA, the State Department and other government agencies.

VOA has no extensive morgue or library of its own but has full use of a large USIA morgue and library with a considerable staff. VOA is supplied with personnel and training services, with extensive administrative support, and with additional personnel and logistical support from American embassies and consulates abroad. Audience research surveys are carried out and analyzed by specialists in USIA. Office quarters, building upkeep and maintenance are supplied by GSA.

By contrast, the operating budgets of RFE and RL have to include all administrative costs, all rentals and construction, all costs of monitoring, program research, and audience research. The largest single cost item is for personnel.

RFE and RL maintain their own research facilities which are the most important centers in the western world for the study of current affairs in their areas. RL has recently become the most important center in the West for the scientific collection of the vast body of documents known as "samizdat"—uncensored writings out of the USSR. This collection is now being distributed by

the Library of Congress, MIT, Ohio State University, the Herzen Foundation in Amsterdam and the Bodleian Library at Oxford University.

The most significant difference between VOA and RFE/RL lies in their distinctly different missions. VOA has the mission of "telling America's story to the world." Accordingly, VOA has a large central News and Current Affairs Division which supplies the vernacular desks with all of their news and most of their features.

Senator SYMINGTON. For the record, would you submit the names of the experts?

Mr. ABSHIRE. Yes; we will.

Senator SYMINGTON. Thank you.

(The information referred to follows:)

EXPERT VIEWS ON RFE/RL AND VOA

(Supplied by Department of State)

A number of persons familiar with Radio Free Europe and Radio Liberty on the one hand and with the Voice of America on the other hand have been consulted at various times on the question of whether RFE/RL functions could be absorbed by VOA. They include:

Mr. Zbigniew K. Brzezinski, Director, Research Institute on Communist Affairs, Professor of Comparative Government, Columbia University

Mr. John A. Gronouski, Former Ambassador to Poland; Dean, Lyndon B. Johnson School of Public Affairs, University of Texas

Mr. Leonard H. Marks, Former Director of USIA

Mr. Abbott Washburn, Former Deputy Director of USIA

Mr. Francis S. Ronalds, Former Program Director for VOA; Program Director for Radio Liberty

They have put forward convincing arguments on this point. For example, former Ambassador John Gronouski said in an appearance before the House Foreign Affairs Committee on September 14, 1971:

". . . For RFE to retain the high level of credibility it has gained among the Polish people it is essential that it be funded through a body which is not a part of the existing foreign affairs machinery of the Government. I mention this simply because I have heard it suggested that RFE and Radio Liberty be combined with the Voice of America or, if they remain separate entities, placed under State Department jurisdiction. I simply state that either of these latter alternatives would be wholly unworkable. I do not believe that the Department of State or USIA could successfully carry on the type of internally-oriented broadcating program that has become the unique contribution of RFE and Radio Liberty."

For the smaller vernacular desks, 95 percent of the output may be in the form of translations and adaptations of the central output.

By contrast, RFE and RL process enormous quantities of raw material in order to supply their language services with news targeted specifically for Eastern Europe. Where VOA is concerned primarily with projecting the American image abroad, RFE and RL concern themselves with every matter of serious interest to the peoples inside Eastern Europe, specifically including events within their own countries.

To provide programs tailored to fit the interests and backgrounds of their specific audiences, RFE and RL require support from researchers and evaluators, A by-product is the high-quality research mentioned above which is unavailable from any other source and which reaches journalists, academic circles and other interested specialists in the United States and elsewhere.

RADIO COSTS IN FOREIGN CURRENCIES

In addition to the direct costs in local currencies for salaries, payments under leases, and other operating costs, the two radios have a certain number of employees who receive their pay in dollars. However, by reason of residence abroad or temporary travel abroad, it is estimated that a proportion of their salaries must also be considered as being among the foreign payments costs of the radios.

On the overall, it is estimated that approximately 80 percent of the funds allocated to the radios is thus spent in foreign currencies. For fiscal year 1972, the amount would be approximately $25.6 million. For this reason, devaluation has had a serious impact on the dollar budget of the radios.

COMPARATIVE COSTS OF RADIOS AND VOA QUESTIONED

Now, the administration has requested $36 million for the Radios for fiscal 1972 and the Voice of America totals $44 million for worldwide operations. You have just said that the Voice of America is worldwide. Why does it cost $36 million to broadcast to Eastern Europe and the Soviet Union, about six countries, and with only $44 million blanket the entire world, including the same six Communist countries, Bulgaria, Czechoslovakia, Hungary, Poland, Romania, and the Soviet Union?

Secretary ROGERS. Senator, I am sure you understand the subject matter that you are speaking about is not contained in this authorization request. It is a separate subject we have testified on and I will be glad to provide the answers, but really I am not up to date on the legislative history. I gather you have had hearings, rather complete hearings on this subject and I——

FINANCING OF RFE AND RL

Senator SYMINGTON. What we are trying to do is clear this matter up. We passed a bill in August to continue this operation. It made me curious. Everybody said it was privately owned. The truth is that there has been some $418 million of Government money and $47 million of private money. When these programs become secret, the money piles up and knowledge as to how they are actually being operated becomes rather limited.

As Munich based organizations, Radio Free Europe and Radio Liberty involve considerable foreign exchange costs. Could you tell us what they amount to?

Secretary ROGERS. No, sir, Senator, I don't have those figures.

Senator, as I understand, the legislation has been passed by both the House and the Senate. It is now in conference, and an attempt is being made to reconcile the differences. I really don't want to get involved in that. I think it is very important to try to reconcile the differences to have the operation continue. Included in the legislation, as I understand it, there is a provision for study on these questions and that should be made. I will be glad to try to take part in that or testify separately on that subject, but it is not a subject that is before the committee as far as this authorization is concerned. That is why I am not in position to answer a lot of these questions. It hasn't been something that the State Department has had in its budget in the past.

Senator SYMINGTON. But this committee wants to know where the money is going. Everybody in America thought the war in Laos was being run by the Defense Department until the Secretary of Defense came before this committee, in a public session, and testified it was not being run by the Pentagon; therefore, we then knew said war is being run by the CIA. Now we have another situation here. It turns out most of the American people believe this broadcast program is

supported by private contributions, but $9 out of $10 for its conduct come from the Government; and again we run into something surreptitously supported by CIA. All we are trying to do now is get accurate information.

It is our understanding that last summer the CIA was relieved of this function. Is that correct?

Secretary ROGERS. Yes, it is. As I said, I understood that you had full hearings on this. Mr. Hillenbrand testified and answered all of the questions, but I will be glad to come up in another hearing.

Senator SYMINGTON. We have had full hearings, but we haven't yet full information.

Secretary ROGERS. I will be glad to.

POLICY DIRECTION OF RADIOS

Senator SYMINGTON. The amount of new money involved is heavy.

Is State handling it now or CIA, or are both still providing policy direction on the monitoring of the radios; and if CIA was doing it before, isn't doing it now and State isn't doing it, who is handling it?

Secretary ROGERS. The answer to the first question is "No," we are not providing any such guidance.

Senator SYMINGTON. If the CIA are out of it, who is providing the guidance?

Secretary ROGERS. The people who are running it.

Senator SYMINGTON. Who are they?

Secretary ROGERS. Radio Free Europe and Radio Liberty.

Senator SYMINGTON. $481 million of the taxpayers money is going into the program. Certainly we have something to say about it if it involves foreign policy, don't we?

Secretary ROGERS. Senator, none of this money is in our budget. We haven't provided any money through our budget.

Senator SYMINGTON. Well, the way we understand it now, the CIA is out. Previously the money went through the CIA. Now, it is through the Treasury Department. Isn't it a matter of interest to the State Department, what these people broadcast about our policies to the various foreign countries?

Secretary ROGERS. We are very interested.

Senator SYMINGTON. If you can't answer, you know where we will go.

Secretary ROGERS. I had better not tell you where to go. [Laughter.]

The CHAIRMAN. Senator Case.

Senator SYMINGTON. I still hope to see you. [Laughter.]

Senator CASE. Thank you, Mr. Chairman.

RELATIONSHIP BETWEEN DEPARTMENT, EXECUTIVE BRANCH, COMMITTEE, AND CONGRESS

Mr. Secretary, first, I want to thank my colleagues for taking such an interest in matters in which I have been involved in connection with the relationship between the Department and the executive branch and this committee and the Congress as a whole. It is a matter which I am intensely interested in and increasingly so, as the Secretary knows and we have talked of this.

QUESTION OF INFORMATION

Also I am interested in the broad question, which seems to be appropriate at this hearing, of how foreign policy is made from several aspects. One of them is the matter of the information. This comes in the part suggested by your point, which I think is accurately made, at least in this administration and in many. The President is the man who determines and operates foreign policy primarily with various helps and assistances from different people including, of course, the Secretary of State and his Department.

HOW DO AMBASSADORS REACH PRESIDENT?

How is the President reached by people who think they have something valuable to say? Take, for example, our Ambassadors. Does he hear about cables which come in?

Secretary ROGERS. Oh, yes, Senator.

Senator CASE. How do you handle that?

Secretary ROGERS. Well, all cables from Ambassadors are available to the President.

Senator CASE. I am sure they are available, Mr. Secretary, but how are they gotten to him?

Secretary ROGERS. I am about to tell you, Senator.

Now, any cable that the Ambassador feels is important for the President to see he can address to the President and does. He is at liberty and invited, of course, to correspond directly with the President by letter, if he so desires. We encourage Ambassadors to come back to Washington periodically, and they do, and on many of those visits they see the President and talk to him. They naturally use some judgment, not seeing him about everything and not calling everything to his attention, but I don't believe that there are any instances where an Ambassador feels, there may be some but I doubt very many, where he feels that his advice and recommendation on important matters do not come to the President's attention.

In fact, it does come to the President's attention and the President talks to me from time to time about cables that he has received from Ambassadors. So, I think this system works a lot better than people think it does.

Senator CASE. It is important not only that this system should work but that people believe that it does.

Secretary ROGERS. I think so, too.

AMBASSADOR KEATING'S CABLES

Senator CASE. This is a terribly important problem. We all know that Ambassador Keating had some questions in his mind about policies that he thought were being developed and carried out in regard to our relationship with India in the recent South Asian crisis.

Was the President fully aware of Ambassador Keating's cables?

Secretary ROGERS. Yes. I am glad you raised that question.

Senator CASE. And currently?

Secretary ROGERS. Yes.

Senator CASE. As the thing developed?

Secretary ROGERS. Yes. Now, it is true that Ambassadors form judgments, as they should, based on their experiences in the countries where they are assigned and their views differ quite often. Someone has to decide the policy and the person, particularly in situations of that kind, who decides it is the President of the United States. In many instances it isn't that important and in lesser important matters I will make the decision or maybe the Assistant Secretary of State will make the decision. But in any event, the decision is made in Washington.

Now, that is the process of government. We have differing points of view. We have it in our own domestic matters and we have it in foreign affairs, too, but the idea somehow that the recommendations of the ambassadors are screened and the President doesn't know it is false. In this situation, the President received the Ambassador's telegrams on a daily basis. He knew exactly what the situation was. I was interested first to follow the telegrams closely, as I had during that period from our Ambassadors, and to see their points of view expressed, then to talk to them after it was over when they came back here to see how their views had changed somewhat based on the fact that by this time they heard the other side of the story. I was very pleased that they both had an opportunity to testify before this committee. I think that was very useful and I was glad it worked out that way.

Senator CASE. It was very helpful to us, particularly, in the case of Ambassador Keating, since we knew him well enough to be very frank. We were not in any way trying to undercut the executive branch in this matter; nor was he in any sense. I never saw a man in my life who was able to handle himself in a difficult situation as well as he did. This doesn't surprise us because we know him well and we know his capabilities, as his former colleague from New York, Senator Javits, well knows.

INSURING PRESIDENT GETS WORD FROM PEOPLE UNAFRAID

Related to this is the question of insuring that the President not only gets word from our people around the world and from people at home but that he gets it from people who are not afraid. I don't mean being afraid in the narrow sense. The general problem with a strong President is the old one of whether he really hears what people think or do they tell him what they think he wants to hear. This isn't only related to people who are afraid of retaliation from a department or agency, but rather a natural concern that they continue to be liked by the President and to have an influence on him in the future.

The aspect of this that I would like to question about, if I may, relates to the question of the security of people in the Foreign Service. I am thinking of their freedom from being fired or their chances of promotion. That brings me to a specific question concerning the matter of the USIA.

NEW PROMOTIONS SYSTEM ADOPTED BY MR. SHAKESPEARE

Mr. Shakespeare recently adopted a new system of promotions. He asked for promotion boards for class II officers to give him a list of names in alphabetical order, so he personally could choose those

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to be promoted. This is a radical change in the system existing before and quite different from the system which applies in the regular Foreign Service. Have you any view about that?

PRESIDENT'S AWARENESS OF CONFLICTING POINTS OF VIEW

Secretary ROGERS. Senator, let me first comment about the initial reference you made. The idea that the President is not aware of conflicting points of view or doesn't like conflicting points of view is erroneous. He likes to have good brisk discussion with conflicting points of view expressed and they are expressed.

Senator CASE. Mr. Secretary, may I just say one thing.

I was talking about an institutional problem.

DIFFERENCE BETWEEN NOT LISTENING AND DISAGREEMENT

Secretary ROGERS. I want to just make this institutional point. By particularly talking to some of the younger people, both in and out of the Department, when they say no one has listened to me, what they actually are saying is you didn't agree with me. Now these are quite different matters.

MAKING OF POLICY DECISIONS

There tends to be a feeling that somehow certain people are in policymaking and other people are not in policymaking. The fact of the matter is that the great majority of policy decisions are made by the State Department on a daily basis without reference to anybody else. It is the major policy decisions which should and must be made by the President of the United States and they are. I think the system is working very well.

We are analyzing the system to the point where everyone talks about it a lot. The system is working well. Our foreign policy is very successful. Everywhere I go throughout the country people are very commendatory about it, how it is working.

MR. SHAKESPEARE'S DECISION

As far as Mr. Shakespeare's decision is concerned, I think it is a close call. In my own case, I continued the practice that had been followed in the past. I think there is a good deal to be said for the decision he made. He says that he will only promote from a list of people who are submitted to him but he wants some discretion in the matter, otherwise he loses all management control. I can see why that is a perfectly justifiable position. I didn't adopt it myself because in my own instance in my own case I think the system we have is working quite well and I am perfectly satisfied to continue it.

Senator CASE. You are able to maintain management control to the extent you think you should?

Secretary ROGERS. That is right. And if I felt that that was not the case: I always reserve the right to make a change, if I want to, but I felt it was working well. I have no reason to complain and I continued it.

Senator CASE. If the matter is one which, as has been suggested, very disturbing to the Foreign Service, wouldn't that be a factor which ought to be given thorough consideration?

Secretary ROGERS. Yes, and it has been given very careful consideration. I know Mr. Shakespeare himself has considered it very carefully. I have not attempted to interfere because it seems to me under the statute that it is his decision to make. But I think he had given it careful consideration. As I say, it is a close question.

LEGISLATION MAKING STATE DEPARTMENT SYSTEM MANDATORY FOR USIA

Senator CASE. Wouldn't you favor legislation to make the system which has been traditional and is still maintained by you in the Department of State mandatory for the USIA?

Secretary ROGERS. I don't think I would. No, I think I would let it stand the way it is to see how it operates.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

Senator CASE. Just one last question, Mr. Chairman, if I might. I would like to get the answer both for its own sake and also in order to make a general point.

Last year the President created a Council on International Economic Policy which, as I understand it, is to perform the same general functions on international economic matters that the Security Council performs on foreign policy and security issues. It doesn't have a statutory basis as the National Security Council now does. You are a member of the Economic Council as well as the——

Secretary ROGERS. That is right.

Senator CASE. As well as the other. Could we have for the record a list of all of the members of that council?

Secretary ROGERS. Yes, I will provide that for the record.

(The information referred to follows:)

MEMBERS OF THE COUNCIL ON INTERNATIONAL ECONOMIC POLICY

(Supplied by Department of State)

Secretary of State
Secretary of the Treasury
Secretary of Commerce
Secretary of Defense
Secretary of Labor
Ambassador-at-Large Kennedy
The Special Trade Representative
Chairman, Council of Economic Advisers
Director, Office of Management and Budget
Assistant to the President for National Security Affairs
Assistant to the President for Domestic Affairs
Assistant to the President for International Economic Affairs (Executive Director)

Senator CASE. Thank you. What is your relationship to it in the State Department?

Secretary ROGERS. Well, of course, it is just getting started. It was a desirable step to take because there are again so many different depart-

ments and agencies which are involved in some of these matters and it is a good coordinating mechanism. It does provide an opportunity for the President to be exposed to different points of view on some of these important economic matters. So I favor it and I think it is a little too early to tell how successful it is going to be.

GENERAL SUPERVISOR OF COUNCIL

Senator CASE. The director of that council has general supervision over its operation; doesn't he?

Secretary ROGERS. No.

Senator CASE. I don't mean——

Secretary ROGERS. The President is the chairman of it. He is sort of executive director, but he doesn't guide it in a sense of making decisions.

Senator CASE. Who is the executive director?

Secretary ROGERS. Well, it was Mr. Peter Peterson; now it is Peter Flanigan.

Senator CASE. Mr. Flanigan?

Secretary ROGERS Yes, sir.

Senator CASE. In the President's office?

Secreaary ROGERS. That is correct.

AVAILABILITY OF MR. FLANIGAN TO COMMITTEE

Senator CASE. Is he available to this committee for questioning on foreign economic matters?

Secretary ROGERS. I don't think that he is. I think he comes within the rule applying to Presidential assistants.

Senator CASE. That is the point I wanted to get to.

Secretary ROGERS. I could tell.

Senator CASE. You could see it coming. He is like Mr. Kissinger in that regard; isn't he?

WITNESS'S AVAILABILITY TO TESTIFY

Secretary ROGERS. That is correct. I am vice chairman of this committee and I will be glad to come up and testify on the operation of the committee.

Senator CASE. And also on the operation of the National Security Council?

Secretary ROGERS. That is correct.

Senator CASE. Mr. Chairman, that is something maybe we ought to follow.

Thank you very much.

The CHAIRMAN. The Senator from Kentucky.

Secretary ROGERS. I didn't want my last answer to mean I am going to disclose things we previously have not disclosed because those are matters that obviously relate to the functioning of the Presidency itself, but in terms of foreign policy decisions and so forth I will be glad to testify on any matter on foreign policy.

The CHAIRMAN. Senator Case, I won't make any comment. Thank you very much. That is a whole other question.

Secretary ROGERS. Thank you.

The CHAIRMAN. Senator Cooper.

U.N. SPECIAL AGENCIES INCREASES

Senator COOPER. I will return briefly to your request for funds. I know the largest amount is, as you said, for international organizations. This is an increase of $28 million over last year, particularly for the United Nations organization.

With respect to the activities of the United Nations special agencies, are all of those governed by a fixed percentage that we are obligated to——

Secretary ROGERS. Yes, they are, Senator.

Senator COOPER. What causes the increase each year, expansion of their activities?

Secretary ROGERS. Yes, plus increase in salaries and expenses.

Senator COOPER. There is a large number of organizations. Just a quick glance indicates that there must be 40 or 50. Does the Department ever review the need for personnel and funding for these organizations to determine whether this steady increase should continue yearly?

Secretary ROGERS. Yes. Senator, yes we do regularly and we are in constant touch with the members of the United Nations, particularly the Secretariat, to try to encourage them to reduce or limit the expenditures that they make. We have had some success but not enough success. As you know, in some instances, the United States has withheld its payments, for example, the ILO (International Labor Organization); we are in arrears on it and Congress had the idea that we serve notice on some of these specialized agencies and others that we are not going to continue to pay as much as we had been paying unless they acted in a more responsible fashion. So we are continuing to do that and we also talk to them about reducing the total percentage that we contribute to the United Nations. We are getting some reductions but, as I say, I must admit they are not adequate, I think.

Senator COOPER. I think it would be good for the people of the country to know, and perhaps the people of other countries should also know, that last year we spent $152,864,000 upon these international organizations. Many of them we consider of great value, but some are a great burden.

REPRESENTATION IN COUNTRIES WITH WHICH U.S. HAS DIPLOMATIC RELATIONS

This may seem like a small question but with how many countries does the United States have diplomatic relations?

Secretary ROGERS. It is in the neighborhood of 120. I am not sure whether it is 120 or 122.

Senator COOPER. Do we send ambassadors to all of those countries?

Secretary ROGERS. I suppose 119.

Senator COOPER. Is it necessary to have ambassadors to all of those countries?

Secretary ROGERS. We do in most of them. There are a few of them where we do not, but most of them we do.

Senator COOPER. Someone has suggested that groups of countries with small populations, with the same character, one representative might be appointed for a number of countries.

Secretary Rogers. We have done that in several instances. I can give you the list if you would like.

Senator Cooper. It would be helpful if you would.

(The information referred to follows:)

DUAL ACCREDITATION OF U.S. AMBASSADORS

(Supplied by Department of State)

Resident in—	*Countries to which accredited*
Dakar	Senegal.
	The Gambia.
Yaounde	Cameroon.
	Equatorial Guinea.
Gaborone	Botswana.
	Lesotho.
	Swaziland.
New Zealand	Fiji.
	Western Samoa.
Ceylon	Republic of Maldives.
Kuwait	Bahrain.
	Qatar.[1]
	United Arab Emirates.[1]
	Sultanate of Oman.[1]

[1] Credentials shortly to be presented.

STATE DEPARTMENT CONSULTATION WITH DEPARTMENT OF DEFENSE

Senator Case. I will return briefly to the questions that have been raised by Senator Case, how policies are formulated.

In your own statement you say there is such a network of agencies and interests which are involved in the making of foreign policy. I am not going to talk about the war in Vietnam. We know the war in Vietnam has had serious consequences. A great number of people want to reduce very sharply our military strength throughout the world. Some question every facility we have in the world. I would think we would have to talk to the Department of Defense about these matters.

Is there regular consultation with the Department of Defense about foreign policy, how these defense matters affect the making of foreign policy?

Secretary Rogers. Yes. I referred a little earlier in my testimony to that. We have made substantial advances that way during the last year or so and I will be glad to give you what we have done.

As you know, you have provided—Congress has provided—a Security Assistance Coordinator to be located in the State Department. We have set that machinery up; we have an Acting Head; and I will announce the appointment of the permanent head in the next month or so. It is functioning and functioning quite well. I have here a statement of the things we have done in this field and I won't bother to read it, but I will be glad to put it in the record.

Senator Cooper. All right.

STATE DEPARTMENT CONSULTATION WITH TREASURY DEPARTMENT

Senator Cooper. With the initiative of the President during the last year relating to the re-evaluation of currencies and other economic and monetary matters. the Department of the Treasury, it seems to me, has quite a considerable bearing upon our foreign policy. We note,

for example, there are strains between the United States and Canada. To what extent do you consult with the Department of the Treasury to point out to the Department of Treasury the strains upon our foreign policy which can be very serious because of some actions taken by the Treasury?

Secretary ROGERS. We consult very closely on that. Of course we do some of this on consultation through the committee that Senator Case referred to earlier. In addition I have had numerous conversations with Secretary Connally about those matters. In the case of Canada most of the negotiations were conducted by a State Department representative and in all cases the State Department took active participation in those discussions.

In the case of Canada, as I say, we have had a very close coordination. I have talked to Foreign Minister of Canada Mitchell Sharp several times about it and talked to John Connally and we have had a lot of meetings, most of which have been chaired by the State De-Department.

Senator COOPER. I know that is correct, particularly with regard to our trade policies in Europe. A great many people think the Department of Agriculture is negotiating and it is actually the State Department.

Secretary ROGERS. That is correct.

Senator COOPER. That is all I have to ask. At some point we will follow up what Senator Case has raised upon the question of information.

COMMENDATION OF STATE DEPARTMENT

I do want to compliment you. I think the progress you have made and that of the State Department in these past few years is worthy of praise. Your efforts to bring about a settlement in the Middle East, Berlin; in Indochina we are withdrawing, although I think all our forces should all be drawn out: you have lessened tensions with the Soviet Union and there is the great hope of a successful outcome in May of the SALT talks; the China initiative is a great record.

Secretary ROGERS. Thank you very much.

The CHAIRMAN. The Senator from New York.

Senator JAVITS. Thank you, Mr. Chairman.

Mr. Secretary, I would like to first join my colleague, Senator Cooper, and associate myself with his commendation of the Department under your direction. I think it has had a very fine record, and you can be very proud of it and these little peccadilloes where you fight and didn't fight in history are going to mean nothing.

Now, Mr. Secretary, I would like to ask you a few specific questions about regions and a general question.

REACTION TO CHINA POLICY

I have actually sat and listened and had to reflect as to the amount of china which we broke with the China policy, much as I approve of this policy, and I am also proud I had a little something to do with it when I was General Delegate to the U.N. Is it a fact that in Taiwan, the Philippines, Japan, Korea it hasn't been an unmitigated success?

Secretary ROGERS. Yes.

PRESIDENTIAL TRIP TO JAPAN SUGGESTED

Senator JAVITS. Is there any consideration by the administration about a Presidential trip to Japan, considering the fact that Japan is the linchpin of our Asia policy and that it is the most productive nation in Asia, and is rapidly becoming the second most productive country in the world. Wouldn't it be most helpful if the President put Japan on his itinerary after Moscow, especially in view of the reported suggestion that such a visit may be very agreeably received coming from no less than the Emperor of Japan?

Secretary ROGERS. I think it is a very important matter that you raise, Senator, and I know it is one that the President has given a good deal of thought to. He would like to visit Japan for the reasons that you have mentioned. We have, as you know, been very active in the diplomatic field to try to reassure Japan that our close bond would be not only continued but develop and you will see in the communication language to that effect.

As you know, the President went to Alaska to meet the Emperor. He had Prime Minister Sato in California. Ambassador Green went to Japan immediately after the visit to China. In fact Assistant Secretary of State Green was in Tokyo before the President returned to the United States.

We are quite conscious of the problem that we have in reassuring Japan close bonds will continue, that we very much value the relationship we have with them.

Now as to a Presidential visit this year or after Moscow, I think probably that is doubtful. As you know, the President has several other things he has to attend to this fall.

Senator JAVITS. Well, it might help him to attend to them.

NECESSITY OF BETTER RELATIONSHIPS AND COMMUNICATION WITH JAPAN

Mr. Secretary, don't you think though that better arrangements are necessary with Japan to avoid the blow—what the Japanese consider the blow to their national pride and dignity—because they allegedly were not informed about the impending China trip? Shouldn't we try within the limits of our policy and interest to work out better relationships and communications so that we would not become fouled up again in that way?

Secretary ROGERS. Well, I certainly agree with you, we should do everything we can to prevent a misunderstanding in the future. I would not want to suggest that we haven't tried in every way we can think of short of a Presidential visit to do just that and I think the President feels and I certainly feel we have gone out of our way to make it clear to our Japanese friends how we feel about them. Based on all of the telegrams that I have received and communications that I have with them that they are reassured.

U.S. POLICY CONCERNING JAPAN

Senator JAVITS. Can you say nationally as Secretary of State, and I am leading you now, you being a lawyer will understand it personally, that the policy of the United States remains a policy of close

friendship and alliance with Japan and absolute fidelity to the defense and other commitments undertaken with Japan, and that is not only unaffected but possibly strengthened by what has occurred in the China business?

Secretary ROGERS. I can say that unequivocally.

Senator JAVITS. I thank you.

DEPARTMENT'S INTENTIONS CONCERNING PREFERENCE FOR LATIN AMERICA

Now, Mr. Secretary, moving to another area. It is said that the main casualty of our extraordinary attention to Asia has been neglect of Europe and Latin America, and I notice with great satisfaction your intention to concentrate your own time more in Latin affairs, and I could hardly think of a better place to spend it than here.

Now, could you tell us whether the Department intends to press forward for some generalized preferences, scheme, with Latin America, which is the big issue there, or alternatively to suggest hemispheric preferences if it can't get anywhere with generalized preferences.

Could you give us some idea of your thinking on this matter?

Secretary ROGERS. Yes. We are giving a great deal of consideration to those questions now and we will in due course make a recommendation to Congress. I can't predict when that will be. But the point that you made is a most valid point and, as I said in my report, we have not done all we should have done vis-a-vis Latin America, for reasons that I mentioned, that is, we have had economic problems here. On the whole they understand it and I think at the OAS meeting we will have an opportunity to talk to them in some length about these problems. But it is true that we should not take our good friends and neighbors for granted; we shouldn't give them the feeling that because we are preoccupied with some of the other very major problems in the world somehow they have been forgotten and neglected. We are going to do everything we can to overcome that feeling and I think they have some reason for feeling somewhat aggrieved and I think we might as well be frank and say so. That is a fact.

U.S. ATTITUDE TOWARD EUROPEAN SECURITY CONFERENCE

Senator JAVITS. Mr. Secretary, shifting our focus now to Europe, which is another casualty of our emphasis on Asian policy, is there anything new that you can say about the U.S. attitude toward the burning issue in Europe of European Security Conference?

Secretary ROGERS. Senator, I want to be sure I heard the first part of your question. Could I have it read back?

Senator JAVITS. I said that following up further on the fact that I had said that the principal casualties of our over emphasis on Asia which started with past administrations have been Europe and Latin America. I come to the second point, to wit, Europe; is there anything that you would like to tell us about the U.S. attitude toward the most burning diplomatic question in Europe, a European Security Conference?

Secretary ROGERS. Yes, Senator. This, of course, will be one of the matters that we will discuss with the Russians in Moscow. We have indicated in the alliance at the last meeting, and I will be attending the meeting of NATO after we have visited Moscow, we have indicated

that once the protocol is signed dealing with Berlin that we will then be prepared to proceed to preparations for a conference. Now, as I see it, the possibilities for a conference this year are not very good. I would think on the other hand if the protocol is signed and in our discussions with the Russians we come to the conclusion that a conference would be meaningful and have some practical results, and our allies in NATO feel the same way, that we could proceed to prepare for such a conference. I would expect that that conference, if held, based on the conditions I have just outlined, if held would be some time in 1973.

Senator JAVITS. And the policy of the United States continues to be one that we must participate, the original plan being that we should not and, second, that we should.

Secretary ROGERS. Yes. I don't believe there has been any doubt on the first point at all for the last year and a half or two years, not only participation by the United States but by Canada as well. And the answer to the second question is "Yes we agree in principle and we want to be sure that the conference would have some practical results, but with that exception, with that limitation, we are prepared to discuss it in principle and we think we favor it."

ASSERTION OF U.S. "TILT" TOWARD PAKISTAN

Senator JAVITS. Well, Mr. Secretary, before I ask one general final question, would you perhaps help us all with this. I sat in this committee yesterday in a hearing when it was said that our country showed a callous indifference to the terror in Bangladesh and that this represented an element in our policy of being "tilted" toward West Pakistan. Now, I think this is a very serious question facing our country both in history and in current policy, and would you care to make any response?

Secretary ROGERS. Yes. It is a reckless and unfounded assertion. The United States was most concerned about atrocities in that part of the world. We were most concerned about what might happen in the event a war started. We did everything we could diplomatically to prevent the war from occurring and we did what we could to prevent atrocities from occurring. There was a limit to what we could do, obviously, but I think that the record will show very active involvement on the part of the United States in an attempt not only to prevent atrocities but to prevent the war from occurring and the President himself took a very active role and I think any fair assessment, historical assessment will conclude that his actions had substantially contributed to the ending of that war.

I think there was a real point that the war might have expanded and I think by the action that President Nixon took that possibility did not occur, did not happen.

Senator JAVITS. Mr. Secretary, would you be agreeable to submitting a statement for the record which would spell that out?

Secretary ROGERS. I would be very happy to. In fact I think it is a very good idea.

Senator JAVITS. I ask unanimous consent.

The CHAIRMAN. Without objection.

(The information referred to follows:)

U.S. Policy During South Asia Crisis

(Supplied by Department of State)

Throughout the crisis in South Asia during 1971, the United States endeavored to use its diplomacy and relief assistance to avert hostilities and to meet the urgent humanitarian needs created by the crisis. As I stated in my foreign policy report, we considered the events in the East Pakistan crisis to have involved internal matters, but "recognized that the consequences of these events—the flight of refugees, the danger of famine, and the growing insurgency—were matters of grave concern to all nations and especially India. We believed that if peaceful conditions were to be restored and if human lives were to be saved, it was clear that:

—Restraint would have to be exercised in the subcontinent by India and Pakistan and by outside powers;

—The international assistance programs would have to be expanded to avert famine and create conditions to encourage the return of the refugees; and

—Efforts toward an effective political settlement in East Pakistan would have to be actively pursued.

On April 2, 1971, as we began to receive word of the crackdown on March 25 by the Pakistan Army in East Pakistan, the Department of State spokesman expressed our great concern "at the reported loss of life, damage and hardship suffered by the people of Pakistan." These concerns were repeated by the Department spokesman on several occasions during April.

Also as part of the record of this period are the letters the President sent to Prime Minister Gandhi and President Yahya on May 28, 1971 and reprinted in part in the President's recent foreign policy report. President Yahya was advised that we believed it "absolutely vital for the maintenance of peace in the Subcontinent to restore conditions in East Pakistan conducive to the return of refugees from Indian territory as quickly as possible." These letters represent only part of our numerous efforts through diplomatic channels to encourage a political accommodation in East Pakistan.

On several occasions after the outbreak of fighting in East Pakistan, Administration spokesmen expressed humanitarian concern for developments on the Subcontinent. Evidence of this concern was visibly manifested in our response to humanitarian relief needs for both the East Pakistani refugees in India and for the people in East Pakistan itself. During his August 4 press conference, President Nixon discussed various aspects of the crisis including our plans for humanitarian assistance to East Pakistan. Later, in his message to Congress on October 1, requesting additional funds for the human needs in South Asia, President Nixon said, "The United States has been deeply concerned both on humanitarian grounds and because of the implications for peace."

Throughout the months between March and December 1971, we met more than 100 times with Indian and Pakistani leaders and representatives in New Delhi, Islamabad, New York and Washington. Many of our meetings with the Pakistanis included frank discussions of Pakistan Army actions in East Pakistan which had contributed to the tremendous outflow of refugees.

As President Nixon pointed out in his foreign policy report, these approaches did achieve a measure of success. "We obtained assurance from President Yahya that Sheikh Mujibur Rahman would not be executed. At our urging, Pakistan agreed to an internationalized relief presence in East Pakistan. We urged an amnesty for refugees of all creeds, replacement of the military governor of East Pakistan by a civilian, and a timetable for return to full civilian rule. Pakistan took all these steps. Return to civilian rule was pledged for the end of December and could have increased the chances for a political settlement and the release of Sheikh Mujib. Meanwhile, in August, we established contact with Bengali representatives in Calcutta. By early November, President Yahya told us he was prepared to begin negotiations with any representative of this group not charged with high crimes in Pakistan, or with Awami League leaders still in East Pakistan. In mid-November, we informed India that we were prepared to promote discussion of an explicit timetable for East Pakistani autonomy."

In addition to the humanitarian and political steps we took to help provide alternatives to war, we sought directly to ease the military confrontation. The United States first proposed that both Indian and Pakistani troops pull back from the borders and later suggested to Pakistan that it pull its forces back from the border unilaterally, as a first step toward a mutual pullback. Although

Pakistan was generally willing to accept these ideas, India, for a variety of reasons, felt it could not agree to them.

On November 12, I expressed in a speech our apprehension over the buildup of forces and the rising number of armed clashes in South Asia. I said:

"We are apprehensive that these clashes might lead to an outbreak of hostilities in the days ahead.

"We believe that a war would solve nothing, but would merely add to the massive problems that already exist in the area.

"In view of these concerns, we have urgently counselled both sides to exercise maximum restraint.

"We have also been the principal supporter of an international program designed to meet the problems that have arisen from the huge exodus of refugees from East Pakistan into India; and through quiet diplomacy on both sides, we are seeking to encourage steps which would defuse the situation, get a dialogue going between those principally concerned, with a view to making practical progress toward a political accommodation."

Our diplomacy was not one of public declarations and ultimatums. We believed that quiet diplomacy offered the only hope for success. As President Nixon pointed out in his report to the Congress: "It would have served neither Indian nor Bengali interests for us to alienate ourselves from the government of Pakistan, whose policy and action were at the heart of the problem."

Unfortunately our efforts in "quiet diplomacy" did not succeed and war broke out between India and Pakistan.

ADVANCEMENT OF MULTILATERAL DIPLOMACY

Senator JAVITS. Obviously the thrust of American policy is toward multilateralism. That is particularly evident in the economic field. In the diplomatic field are there any new initiatives in contemplation by our country respecting multilateral diplomatic activity which would include the U.N., its new usefulness, or any other practical idea by which multilateral diplomacy may be advanced?

Secretary ROGERS. Well, we are constantly looking at what can be done to strengthen the United Nations. I have said that in my report. It is a little discouraging at times to know how we can act to strengthen the United Nations but we certainly favor the idea and we will continue to work in that direction.

In terms of other multilateral organizations, we are doing a good deal to help. As you know, we have made some contributions recently to these multilateral organizations. In the case of Asian countries we encourage them very much to take part in the multilateral organizations. We do not favor the idea of taking part ourselves. We think it is better for those Asian countries to meet themselves and deal with their problems. We have indicated a willingness to assist in planning and so forth, but we feel it is better for them to do it.

We have done that in several instances and they have had several meetings as you know, some of them under the leadership of Indonesia Foreign Minister Malik. We have encouraged the same thing in Africa. There are several regional organizations in Africa that are beginning to develop and we have encouraged those and Assistant Secretary of State Newsom is in Africa now, or on his way, and one of the things he has in mind is to encourage regional organizations. So we are doing all we can in that field.

Senator JAVITS. Would you say then that it is a cardinal element of U.S. foreign policy to encourage multilateralism in international diplomacy?

Secretary ROGERS. Yes, and regionalism, too, which is another form.

Senator JAVITS. I thank you.

RESPONSIBILITIY FOR RADIO FREE EUROPE AND RADIO LIBERTY

The CHAIRMAN. Mr. Secretary, there is one question raised by the Senator from Missouri. I wanted to add a little bit to it for the record. I, of course, am interested, as all of us are, in Radio Free Europe and Radio Liberty, not only in the cost, which is very substantial. This bill, of course, was introduced originally by Senator Case. There is also the question of policy and there were one or two things. You said you did not feel you were responsible for it. This committee did have hearings, to which you referred, and the executive branch sent to us as their representative the Assistant Secretary of State for European Affairs. He came and testified.

Secretary ROGERS. Yes, sir.

The CHAIRMAN. I assumed you felt you had some connection with it. The Senate bill also provides that RFE and RL would be funded through the State Department which, of course, I favor, as does the Senate.

CLARIFICATION OF REFUSAL TO ACCEPT EXTENSION OF AUTHORITY

I want to clarify the situation. The House is the one refusing to accept the extension of the authority until the end of this year. They insist upon 2 years. There is a general feeling, at least in the way I have been attacked, as if the committee, the Senate, is saying that it should be stopped immediately. The Senate bill does no such thing. It provides authority until the end of this year.

REQUEST FOR CIA COST ESTIMATE STUDY FOR TERMINATION

Recently I wrote to you and asked for a study made by the CIA for liquidation of Radio Free Europe and Radio Liberty and your answer was not responsive. It simply referred to some other study that the radios themselves are making. It was our understanding that within the last couple of years the CIA had itself made a cost estimate study for terminating the radios' operation. This is what I requested, but your reply didn't refer to that at all. It referred to something else. I would like to have that straightened out because we have had two letters, another one this morning, neither of which even referred to the original request which was not for a study by the radios but by the CIA while the radios were, of course, under its direction. We assumed that it made that study contemplating that it was preparing to liquidate.

STATE DEPARTMENT INTEREST IN SUBJECT

Secretary ROGERS Mr. Chairman, first, in reference to the first part of your question, I did not indicate we were not interested in this subject and I pointed out that Mr. Hillenbrand had testified before the committee. What I said was that I was not quite up to date on it because I knew you had had hearings. I knew the bill had been passed and certainly did not intend by anything that I said to get involved in the question between the House of Representatives and the Senate of the United States about who is at fault.

REQUESTED CIA STUDY

Now, in answer to the second part of your question, as you know, we did make some information available to you yesterday and I will be in touch with you about it later on to see if we can straighten it out.

The CHAIRMAN. It is not responsive. Mr. Hillenbrand himself told us about that. He refers to the frequent preparation in recent years of official papers relating to the radios' effectiveness, modernization needs and also the costs of liquidation. This is what we asked for, not what the radios are now undertaking in view of recent developments, which is an entirely different matter. This comes back to the other aspect, which is the cost. It is true the cost is substantial, but it is not overwhelming. It seems to me quite out of line with the cost of VOA.

INCONSISTENCY BETWEEN WHAT WE PROFESS AND DO

But it is this question of policy which the Senator from Missouri has already raised. I simply want to emphasize again that I think this is very important. I think one of the reasons no progress is made at SALT could well be that there is a lack of credibility on our part. How do you think that the Russians would take a continuous program obviously seeking to undermine that government while you are pretending you want to make a deal with them at SALT?

I remember at the meeting just before you went to China you and the President were very persuasive and one of your major challenges was to establish credibility. "Reliance," I believe, was the word you used, you and the President both. I thought it a very good point that one of the things you have to do is establish in the eyes of the Chinese that you are responsible people, that you mean what you say, and that you are not playing games with them. I think the communique that you made with China, which you issued at the end, certainly is consistent with that.

As the Senator from Missouri said, I think it is quite inconsistent with what you are doing with regard to Russia. I think it is affirmatively against our interest that we are paying a lot of money to do something to undermine our interests, assuming you really mean that you wish to make agreements at SALT. If you are playing games, of course, you can play it that way, but this is an inconsistency which is obvious to anybody. I am belabored by letters saying that I want to cancel these radios because the Russians want to cancel them because the Russians do not like them and, therefore, I am a Communist. It seems to me that is a rather simplistic view because you yourself and the President have undertaken this procedure of negotiation. But I would like the Secretary to comment upon this inherent inconsistency between what we profess and what we do.

WHY ARE PROGRAMS NOT CONSIDERED TOO IMPORTANT?

Senator SYMINGTON. The Chair has made my point. You have a 600-page document in which you did not mention these two programs. But when we asked for advice about it you sent up your Assistant Secretary of State. But when I asked about it you said the State

Department did not have anything to do with it; nevertheless you referred to Mr. Hillenbrand, the witness in the case, who is your assistant.

I was not trying to be critical, rather asking why it all was not considered too important?

Secretary ROGERS. Well I am not sure I have made my point clear.

As you have indicated, this is a matter that has been under consideration by the Congress for a long time and the Senate has acted and the House has acted in conference now.

Now, I do not have any desire to get involved in the problems of the conference. I think that is for the Congress to handle. I would hope that the question could be resolved and, as I understand it, the legislation calls for a study to be made to answer some of these questions. I would hope that that occurs.

I have not said we were not interested; I said the State Department has not been involved in this up to the present time. We are interested. When you asked for a witness, I asked Assistant Secretary of State Hillenbrand to come up and testify. It was not that we were not interested. We have not been involved in it. Under the legislation passed by both the Senate and the House, as I understand it, the financing would be done by the State Department. All I am saying is that I thought that the Congress had gone through the legislative procedures; I thought you had had hearings; I thought it passed the Senate and House and was in conference; and I would prefer to leave it there for the time being.

If there is any specific information that you want, I will try to provide it.

STATE DEPARTMENT AND HOUSE OBJECTION TO SENATE BILL

The CHAIRMAN. The position is that the State Department, whether you personally did it or not, objected to the legislation that was introduced in the Senate and passed by the Senate unanimously. You inspired another bill that is quite different in the House and I also assume the House is cooperating with you. They absolutely refused to take the Senate bill, which gave the radios a year's life. During the period from now until then, obviously the matter would be further considered.

But everyone including myself, I think, believes that the State Department is the principal influence as to why the House refused to accept the Senate bill. It is in conference. We have had two conferences and they have absolutely refused to accept the Senate bill. They wish to create some sort of tripartite study commission and to give the radios a new lease on life under new auspices. The Senate bill does not. But I think you are familiar with that.

INHERENT INCONSISTENCY WITHIN U.S. FOREIGN POLICY

I do not want to belabor this other than to say this is an example, I think, of the kind of activity that causes great difficulty and question about the validity of our foreign policy. This inherent inconsistency within our policy strikes me as of very great importance because we

have been told now every 6 months for 3 years that SALT is about to produce something and, of course, it hasn't yet. Whether it will nobody knows. We can always be optimistic at least through the next election, but you do not indicate whether you are going to get anything or not. One of the reasons is the continuing of these old obsolete programs.

This is 20 years old. It was created right at the height of the cold war right in the beginning of the McCarthy period.

I do not understand why you are unwilling. It is like the attitude about Cuba. In another meeting I asked your people and one of them inadvertently said he saw no reason why we could not reconsider our policy, but as soon as the Department had wind of it they were adamant. They wanted no reconsideration of our policy toward Cuba. They even go so far as to insist upon refusal of an advisory group of four Cubans to come up here to some kind of scientific meeting.

This rigidity of maintaining the cold war in view of the President's statements, of which I and, I think, most of the country approve, seems to me ridiculous. I must say it gives me a feeling that there is some lack of coordination or understanding among the administration because I, for whatever it is worth, have gone out of my way, as Senator Church has, to approve of the communique and the recent visit as an indication of a new approach.

STATE DEPARTMENT INFLUENCE CONCERNING RADIO FREE EUROPE

The Radio Free Europe is just one of those. I did not mean to belabor it, but I did not think your answer to the Senator from Missouri was very responsive because the State Department is the critical influence here, in my opinion.

Secretary ROGERS. Senator, you know that we very much favor the legislation.

The CHAIRMAN. You favor the House legislation?

Secretary ROGERS. That is right.

The CHAIRMAN. I understand that. But not the Senate.

Unfortunately you are not going to get it. It does not look that way.

Secretary ROGERS. Going back to our point, obviously the Soviets are continuing to broadcast and we should continue. It may well be that as time goes on changes should be made.

The committee has just commented on the fact we have taken these initiatives, which are quite far reaching, and we are developing an orderly system. In the meantime we would hope very much that the conference committee can work out something that will maintain this program. The President has already issued a letter to the Chairman.

The CHAIRMAN. They can easily work out something to maintain it to the end of this year. They can do it tomorrow morning.

Secretary ROGERS. I do not want to get involved in an argument.

The CHAIRMAN. You are involved. Everybody believes it is your influence that prevents the agreement.

Secretary ROGERS. It is not. We favor the House version.

The CHAIRMAN. I know you do. So you get nothing.

Secretary ROGERS. We would hope you would get together and try to work it out.

INCONSISTENCIES WITH CHINA INITIATIVE

The CHAIRMAN. We have been together. It is just part of the aspects here that bother me. Your answer to Mr. Church about SEATO and the Department's reaction to your representative's former answer to me in the committee on Cuba seem to me to be quite inconsistent with what the President is doing in China. I must say it puzzles me because I think obviously the reaction has been favorable, not only here but generally, on the China initiative.

Secretary ROGERS. Mr. Chairman, could I read a letter?

The CHAIRMAN. Why you won't be persuaded by that, it would be wiser to follow that example in other areas.

PRESIDENT'S LETTER TO CHAIRMAN OF RFE

Secretary ROGERS. May I with your permission read a letter that President Nixon wrote Mr. Cort who is Chairman of Radio Free Europe, he says:

I was very pleased to learn from General Clay that you are going to serve a second year as Chairman of the Radio Free Europe Fund.

I would like you and your associates to know that in my view the free flow of information and ideas among nations is indispensable to more normal relations between East and West and to better prospects for an enduring peace.

The comprehensive news and comment which East Europeans get from RFE help immensely to neutralize the censorship of speech and press that is still imposed under Communist rule. RFE's broadcasts thus serve what should be everyone's right, as stated in the Universal Declaration of Human Rights, "to speak, receive and impart information and ideas through any media and regardless of frontiers.

RFE's task, in particular its coverage of internal developments in East Europe, is of course one that only an independent broadcaster could undertake. This Administration is pleased to contribute to the financial support of Radio Free Europe, because we have followed closely the work of RFE and are satisfied that it continues to serve a fundamental national interest.

I want to take this occasion to pay personal tribute to the directors and staff of Radio Free Europe for the skillful and responsible job they are doing under difficult conditions. The fact that their effort is understood and backed not only by the Government but by private citizens and the American business community should assure them that they will be on the job as long as the need exists.

Sincerely,

RICHARD NIXON.

That sets forth the views of the administration and sets forth my views.

CITIZENS COMMITTEE ON RADIO FREE EUROPE

The CHAIRMAN. I remember when Radio Free Europe was begun in 1949, you had a National Committee for Free Europe. You had Stalin alive then. You had really the intensive beginning of the cold war, just before the war in Korea broke out. Now you have a new Citizens' Committee on Radio Free Europe composed of many of your old former Government officials. It is led by a former Undersecretary Mr. Ball. It sounds like a re-creation of the same old thing. Here we go down this line again. It is quite inconsistent, it seems to me, with what I thought the President was attempting to do in China.

I must say how you think this would further relations with Russia or any other country of Eastern Europe is beyond my comprehension.

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But the assumption of yours, this feeling that some way or other it is our responsibility to enlighten these poor benighted people, many of whom had a national existence much longer than this country, is beyond my comprehensive. I just don't understand it. I think it is very much against our interest.

PROGRESS AT SALT

Senator COOPER. I just want to make a comment on the statement of the chairman that no progress has been made at the SALT talks. I am not one of the negotiators, but I have taken a deep interest in this matter. I have had occasion to visit our delegations in Vienna twice and Helsinki when the SALT talks were in progress. I did not enter into the negotiations, but I was fully informed about the negotiations on each occasion. I met with Ambassador Smith and his colleagues and they informed me of every step that had been taken since the SALT talks began, detail by detail.

We have had the 4 years of debates here in the Senate on ABM and other strategic policy questions and I think we had learned a great deal. But I did not realize until talking to these negotiators, the full complexity of details and problems that must be agreed upon before final agreement is made. On each one of these trips it was evident that progress had been made. Ambassador Smith has said to this committee here in Washington, as he has said to me and said to Senator Mansfield in Helsinki and Vienna, who was also briefed in the same way, and others, that it is their intention an expectation to reach an agreement. The President has said that. You have said that. I believe from these trips that an agreement will be reached. I thought it would have been achieved earlier. But despite the delay, I do think it is a mistake, and I say this with great deference to the chairman, to say no prograss has been made.

AGREEMENTS REACHED AT SALT

The CHAIRMAN. The Senator does not question the fact that no agreement of any kind has been reached; does he. Is there any evidence of it?

Senator COOPER. There have been some agreements reached.

The CHAIRMAN. What? These are classified.

Senator COOPER. In rather large areas.

Secretary ROGERS. No; we have signed two agreements in public. We had a public signing.

The CHAIRMAN. To what agreements do you have reference?

Secretary ROGERS. Well, accidental launch agreement and the other was hotline agreement.

The CHAIRMAN. Do you consider those significant?

Secretary ROGERS. Well, you said no agreements at all had been reached.

The CHAIRMAN. I meant of some significance that would justify 3 years now of negotiations.

Secretary ROGERS. Well, Senator Cooper has made a point that——

The CHAIRMAN. I understand that you have to say you are making progress. Of course you would say that. It is like Mr. Kleindienst

saying. "Yes, I made a deal." You don't expect him to say that. Nor would I expect you to say, "No, we could make no progress. We are a bunch of ineffective representatives." There comes a time when there should be some evidence of it. I mean it is 3 years now that has been going on. We were told almost the same thing that the Senator from Kentucky said over a year ago, "We are making great progress. We are about to reach agreement." They will be saying this, I am sure, past November no matter what happens. But there is no evidence of any substantial agreement of any kind relating to ABM. There have been lots of rumors that the Russians were willing to agree on ABM and we won't agree. We had to have an overall agreement. There have been all these rumors, but nothing has been agreed to.

Senator COOPER. Yes, there have been agreements between the negotiators of great consequence.

The CHAIRMAN. Nothing of any consequence.

Senator COOPER. If you will have Ambassador Smith come up again he will tell you the steps that have been made in the negotiations that will result in a very meaningful formal agreement.

The CHAIRMAN. We heard him at great length on the steps that have been made in the talks. I heard him just recently. It is a difficult process, I know. Yet Vienna is a pleasant place. I liked Vienna when I was there. I went as a young man. But the talks goes on and on. No agreement of any consequence has been reached yet, is the only point I tried to make.

CONSIDERATION OF CHINESE PASSIVE SENSE OF SUPERIORITY SUGGESTED

Coming back, I was talking about really RFE. I want to read two sentences that impressed me very much that I submit to the Secretary for his consideration. They have arisen out of the China matter and were written by an Australian. They might very well be appropriate for consideration in connection with RFE. He writes: "Here is a superior people you reflect, but whose sense of their superiority is rooted in contentment with their own mountains and rivers. Not an active sense of superiority which pants to convert the world to its excellence. A passive sense of superiority which basks, inward-turned, within its own possessed excellence. . . . Most Americans would be surprised, I believe, by the tranquil confidence of China today. It is not a restless nation keen to prove its ambitious worldwide schemes." I think it is worth considering that when you feel that we are compelled to spend $36 million to bring the truth to the benighted people of Eastern Europe.

Senator Pell, do you have any questions?

Senator PELL. I do, but I would like to be last because I am just getting the flavor of the meeting.

Secretary ROGERS. It might be better to go before you get the flavor.

RECOGNITION OF BANGLADESH

Senator CHURCH. Mr. Secretary, has the President made a decision yet to recognize Bangladesh?

Secretary ROGER. No; he has not.

Senator CHURCH. Do you expect a decision soon?

Secretary ROGERS. Well, I do not think I should go beyond what we have said. It is under active consideration.

Senator CHURCH. How has it served the American interest to have waited this long to recognize Bangladesh in view of the fact that 48 countries of the world have already done so?

Secretary ROGERS. There are a lot of factors to consider and we are considering them now. You know our general policy which is to have relations with countries that want to have relations with us. There are factors that are important. One is the presence of Indian troops on Bangladesh soil and there are other considerations too that we have to take into account, but I would expect that decision would not be too long coming.

Senator CHURCH. I have been conducting hearings in this committee on some resolutions that are pending which would express the sense of Congress that Bangladesh ought to be recognized. Your spokesmen have talked vaguely about these other considerations. The only specific one that I recall is the one that you mentioned, India's troops. Yet it is anticipated that these forces will be removed, by next Sunday. In any case, that is not a compelling argument inasmuch as our own country was recognized while foreign troops were on our soil, and no one has contended that the Indians intended to occupy Bangladesh or reduce it to puppetry.

I am deeply concerned because, having been out in that part of the world, I know how disturbed people are both in India and in Bangladesh. They are resentful at what they regard as a pro-Pakistan policy on our part, regardless of the merits or the arguments that can be made pro and con. This feeling definitely exists in India and in Bangladesh. And I should think that since these are the only two major democracies in Asia, other than Japan, it would be very much in our interest to move toward recognition now. It would help to restore better feelings in that part of the world toward the American Government if it were done quickly. This delay has not been justified. It has only added to antipathy both in India and in Bangladesh toward the U.S. Government.

Secretary ROGERS. Thank you, Senator. I appreciate the comments that you have made.

As I say, the matter is under active consideration. I met with both the Pakistani Ambassador and the Indian Ambassador in the last couple of days and had full discussion on it. As you know, we are helping out in humanitarian ways and I think that in a sense that is of tremendous importance in itself. We do realize the arguments that you are making and the effectiveness of those arguments and we hope we will have a decision before too long.

U.S. MILITARY ASSISTANCE TO PAKISTAN AND INDIA OPPOSED

Senator CHURCH. I won't press you any further on that point, however, I wanted you to know my own feeling about it, borne out by a recent visit to the area. Ever since I have been on this committee, I have opposed our policy of subsidizing the armed forces of Pakistan and extending weapons to that country, as well as to India. These weapons have only been used in war on the subcontinent, not against the Communists in Russia or in China. We have come out badly, a situation.

that has been borne out by events. Now rumors are circulating that pressures are building up for the United States to renew its military assistance and sales program to Pakistan—for the third time.

IS RENEWED MILITARY ASSISTANCE TO PAKISTAN UNDER CONSIDERATION?

Could you tell me whether or not that is actively under consideration?

Secretary ROGERS. You say pressures are building up. I do not know of any pressures that are building up.

Senator CHURCH. To be specific, I understand that the Government of Pakistan has made such a request; there has been comment about it in the newspapers, too. Mr. Bhutto has said he wants a revived and strengthened defense pact with the United States. He told C. L. Sulzberger of the New York Times that, "We desperately need arms to defend ourselves. And if I find that it is not embarrassing to your Administration, I assure you I am ready to start talks on all this tomorrow."

What consideration, then is being given all this by the administration? Are we about to launch another arms program for Pakistan?

Secretary ROGERS. I will come to the answer in a moment. It is fair to point out when you talk about a military assistance program that after 1965 the Government of the United States did not supply any major military items to either India or Pakistan; that the supply of military equipment to both those countries was by way of spare parts to make the equipment that we provided workable. So for the intervening years we had a very small shipment of arms to both India and Pakistan comparatively and we had no major items. We have had none since. We have not even done that since the difficulty and we have no present plans for renewing even the instigation of the spare parts as we had.

As you know, there was at one point a decision made to make an exception in the case of Pakistan on military equipment, but that was never carried out. So from 1965 to the present time we have supplied only spare parts to both India and Pakistan and those in fairly modest degrees.

SIGNIFICANCE OF SHIPMENTS OF SPARE PARTS

Senator CHURCH. Those latest shipments of spare parts which came after the Pak Army's vicious crackdown on March 25, 1971, were very small. From the U.S. standpoint, it seems insignificant. However, the political impact in South Asia was enormous. To the people of India and East Bengal, now Bangladesh, it meant that we are aligning ourselves with Pakistan, helping them to fight first a colonial war, then an all-out general war. I wish you would give very serious consideration to a policy of ending military assistance and sales subsidized by the United States in the whole subcontinent. Stop providing military assistance and sales to Pakistan in the future, and to India and to Bangladesh as well. Recent events make this a good place to make a clean start. The record since 1954 has been a dismal one, the only result for the United States has been failure. If we can learn anything from that miserable experience, I think now is the time to apply the lesson.

Secretary ROGERS. That was the decision of the Government in 1965 and the only exception they made was one that seemed at the time sensible which was if you have a country that is basing its defense on equipment that we provide and it can't get spare parts, it is sort of unfair; at least that was the reason for the policy that was followed after 1965.

Senator CHURCH. That need not any longer apply. It might seem reasonable to send parts when your client is engaged in war or about to go to war, but to the people of that area it does not seem reasonable at all.

Secretary ROGERS. It was interesting to me. I visited India and Pakistan after the first year of the administration. In both cases those countries urged us to provide arms or, in other words, the feeling was fairly strong that we were not providing arms to either. I made the point we are not supplying arms to either country. And the spare parts part of it really had very little significance; no one raised it but it is in the context of the war that it became significant and I can understand that.

NEED TO REVIEW TREATY COMMITMENT IN ASIA

Senator CHURCH. One more word regarding our earlier exchange about SEATO. When I mentioned the need to review our treaty commitment out in Asia, your reaction was we had no intention of repudiating our commitments. That has a familiar ring. That is the same kind of reaction we have had from the State Department through the years whenever the question of commitments has come up.

Now, of course, I do not think that in the wake of the trip to China we can simply abolish all of the treaties or all of the Executive arrangements that have been made pertaining to Asia. The treaty with Japan, for example, is very relevant and important. It needs to be maintained. The same can be said for the treaties we have bilaterally with Australia, New Zealand, the Philippines, and other Asian countries. But I urge you to reflect on the fact, as I know you have, that the SEATO treaty goes back to February of 1955, and everything has changed out in Asia since then. France was in the process then of leaving Asia and France has left.

Britain no longer maintains the presence in Asia that she had at that time. Neither France nor Britain have given any real support to SEATO when it was applicable. Pakistan, in the case of South East Asia, ignored the SEATO treaty, recognizing no obligation under it, and Mr. Bhutto now says that Pakistan should leave.

We might welcome that. If we are going to deal evenhandedly with Pakistan, with India, and with Bangladesh, it is pretty awkward to start with a formal treaty alliance with one of them, Pakistan. Of course, the President might desire to continue his well-known tilt! But that wouldn't be in our best interest.

Australia, New Zealand, and the Philippines are taken care of in other treaties. Laos has expressly taken itself out from under the SEATO umbrella, and Cambodia has disassociated itself from the treaty, too. Even the United States ignored the treaty, much effect as the treaty might have had in the recent war between India, Pakistan,

and Bangladesh. If there is ever a relic which in practice no longer is relevant to our situation in Asia, it is SEATO.

This committee has a responsibility for continuing oversight. When treaties become relics, they ought to be placed in the museum of history, following the legal procedure that is set up for doing that. That is not a repudiation of our commitment, it is a recognition that times are changing and policies are changing and old commitments need to be reconsidered.

I am concerned because from time to time these old treaties get us into a lot of trouble. The SEATO treaty was used as an afterthought by Secretary Rusk to justify our intervenings in Vietnam. He even came up with a unique doctrine that I have seen no evidence or precedent to support elsewhere, the doctrine that the treaty committed us to the defense of South Vietnam even though other parties to the treaty did not honor their commitment.

It is a unique doctrine in international law, yet this is the way old treaties can at times cause great mischief. I would hope therefore, that you would recognize an opening in Asia to reconsider the American position and to review old commitments. The Congress, particularly the Senate, should play a part in that reconsideration, and I present it to you seriously, not with the idea that it should be shrugged off with a statement we are not about to repudiate our commitments.

Secretary ROGERS. Well, I appreciate your comments and we will keep them in mind. I think my answer stands. Any other answer would be very damaging under the circumstance to that whole area and I do not think I should vary at all from the answer that I gave you.

COMMITTEE REVIEW OF COMMITMENTS IN VIEW OF DEPARTMENT'S ATTITUDE SUGGESTED

Senator CHURCH. This committee, then should, assert its responsibility and begin to review these commitments. Your attitude is so typical of the attitude of the State Department wherever anything is established.

Secretary ROGERS. No, I do not think that is a fair comment. I am saying your timing is particularly unfortunate. We are now in the process of talking to our allies in that part of the world. We have had arrangements with them on which they have relied over the years. These have been bipartisan policies; they are not partisan policies, and I think any suggestion that as a result of the President's visit to China there is going to be erosion setting in on treaty commitments would be extremely unfortunate at this time. I realize your view is different but that is my view. I pointed out I do not think it is necessarily for all time but I think this kind of discussion at this time is very harmful. I would not want to suggest that I agree at all now with the thought that you expressed. It is not that we are being adamant or intransigent or totally inflexible or not willing to consider policies that are effected by other policy changes; not at all. It is merely that at the present time that kind of discussion, any suggestion to that effect, I believe, would be very harmful to our relations with other countries. As you mentioned, they have a feeling because we took a trip to Peking that we have sort of lost interest in them and we are going to change, have an about-face

180 degree turn. I think we have to be careful that they do not come to that conclusion because that is not the policy of this Government.

Senator CHURCH. I am trying to take a long view of American strategy in Asia, looking into the 1980's. If this is a question of timing, then that is negotiable.

The CHAIRMAN. Senator Cooper.

POSSIBILITY OF AGREEMENT ON LIMITATION OF NUCLEAR WEAPONS SYSTEMS

Senator COOPER. No questions. But, I would like to make one additional comment. I think the Senator from Arkansas was correct in saying that 3 years of negotiations is a long time for these SALT talks to have gone without any formal agreement. But I do believe that considerable progress has been made by the negotiators. Senator Fulbright is correct in urging that we move to an agreement.

Could you make a statement based upon concrete facts that the United States will reach an agreement with the Soviet Union on the limitation of nuclear weapons systems?

Secretary ROGERS. Well, I do not think I want to go any further than the statement that was put out by the Russian leaders and by President Nixon, which clearly indicated that they had strong hopes that an agreement would be reached, both defensive and offsensive missiles. I have expressed the same thought in this foreign policy report; that we have very strong hopes to that effect. I do not think it does any good to make any more categorical predictions than that.

I do not agree with the chairman at all. I think these talks have been conducted in a very business like way. I think a good deal of progress has been made and it is true there has not been an agreement signed but I——

INCONSISTENCY OF RL AND RFE WITH SALT

The CHAIRMAN. I was not talking about the talks being at fault. I am saying you do other things inconsistent with them, like Radio Free Europe. I am not telling you the talks should be discontinued. Why do you want to continue Radio Liberty?

Secretary ROGERS. I misunderstood.

The CHAIRMAN. You sure did misunderstand. The whole point was why do you want to spend money to undermine the talks by keeping on telling the Russians they ought to change their system and stirring up trouble in Russia. That is what Radio Liberty is devoted to. I have no intention of discrediting the talks. I did say to Mr. Smith that probably one of the greatest inhibitions to getting agreement is the other things our Government does inconsistent with your talks. That is what I said to him when he was before our committee.

PROSPECTS FOR AGREEMENT SOMETIME THIS YEAR

Secretary ROGERS. I do not agree. In answer to your question, Senator, I think the chances are quite bright. I think the prospects are bright. Now its always possible it won't work out, but we think there are bright prospects for agreement sometime this year.

Senator CHURCH. I hope that events prove you as a prophet in that.

The CHAIRMAN. That is the first time we have heard that.

APPREHENSION CONCERNING CHINA TRIP

Senator SYMINGTON. Mr. Secretary, I was in Japan earlier this year. There is a lot of apprehension there about the China visit, which I personally think was not a good development. I was also in Korea where the same reaction is true there; and Thailand and Cambodia and Vietnam. Everybody was curious, apprehensive, wondering just what it meant. I was also in India and the same.

POSSIBILITY OF CONCESSION TO SOVIET UNION

Now you have the China trip behind you and plan the Soviet trip. I noticed in the papers this morning it says that Secretary Rogers stated to the press that "although Soviet-American tensions have diminished, relations will continue to show strains until Moscow 'overcomes its temptation to exploit explosive situations for national advantage.'" Then it goes on to contrast reserve toward the Soviet Union. "Mr. Rogers underscored the administration's current interest in China. He said the recent trip by Mr. Nixon to Peking had established 'a solid foundation on which to build' better relations, and had broken the 'pattern of hostility' between China and the United States. . . . He declared: 'The United States and Soviet Union have a unique commonality: they are the only two countries in the world with the capacity to destroy each other.'" That latter observation interested me a great deal, because for some time many have been arguing against the extreme militarists who say we must retain military "supremacy." As we look at the facts, we realize that another country today can destroy this country, regardless of what we do, just as we can destroy them. I was very glad to read your statement, therefore.

The Taiwanese came off badly, it is fair to say, as a result of the China trip.

If you are going to have a successful visit to the Soviet Union, won't you have to make the same kind of concession somewhere? I understand they are not too happy, have read what they have already said about the trip to China. If you are going to come off with any real success with a country you yourself stated is the one country that can destroy us, won't you have to give something comparable to what we gave the Chinese re Taiwan? Will they accept the change in our policies in the Far East without demanding something in return?

Secretary ROGERS. Certainly not in terms of any concession and I do not believe there were any concessions made in the trip to China. I think that the success of the trip is the one that has been mentioned here; that is, to provide the foundation on which we can improve our relations. I do not believe it was done because of any concessions that were made.

As far as the trip to Moscow is concerned, the same thing applies. I do not look at it as if we are going to make concessions. I would hope we could make some agreements that would work to our mutual advantage. Whether that is possible or not we are not sure.

We have had, as you know, some progress with Soviet Union in the last year. I think the Berlin agreement is a good agreement. I believe there are signs that the Soviet Union wants to improve its relations with us and I would hope that there would be concrete results

from the visit to Moscow. There are areas where we think there are some concrete results that can be achieved.

We are quite aware of the fact we are still going to have profound differences. We are not going to settle these fundamental ideological differences because we make a visit. On the other hand, we think we will provide an opportunity to not only improve the situation at the time of the visit but subsequently and that is the purpose of it.

So we are looking at it, I think, in realistic terms. We believe it provides an opportunity to further the progress that has been made in 1971 in several areas without making any concessions.

U.S. READINESS TO MAKE ACCOMMODATIONS FOR PROGRESS AT SALT

Senator SYMINGTON. I was in Vienna this year and last year. There are, apparently, some disagreements in this committee on whether any progress has been made in the SALT talks. I think that, in order to solve those disagreements you have to define progress. But do you believe we are ready, yet, to make any significant accommodations in the positions we have taken on SALT in the past—which in some cases I personally felt wrong—so as to make some progress with the Soviet Union when we visit there, or is that not considered in discussing future policy?

Secretary ROGERS. Senator, let me talk about progress for a moment. There are two ways to define it. One is to say are we closer together. Are we closer to an agreement than we were 6 months ago or a year ago? The answer to that is "Yes; we are closer". And as Senator Cooper said a little earlier, I think it is a very encouraging record that has been made.

Now, you can define it as the chairman defined it, and that is really there isn't any progress until you get the agreement. That is a perfectly sensible position and you can argue this is all talk and that you have not really done anything until you sign the agreement. And that is a sensible position.

My own judgment is that in view of the fact that we have narrowed the differences between us; in view of the fact we have had very businesslike discussions, and we believe there are areas of differences that can be worked out, I think the prospects are fairly bright there will be an agreement. I can't say with certainty until the agreement is reached. I have every hope that we will have an agreement this year. Whether it will be before the Moscow trip or not I do not know. I do not think we should pin it to that because it is important that we have an agreement that is not to our disadvantage, that is, mutually advantageous, but certainly I would hope we get one this year and I think the prospects are fairly good that we will.

Senator SYMINGTON. A reason I ask is the fact we are running out of money. There never has been a program that cost so much money and had so much disagreement as this ABM program. Some of the people believe the technical way we are pursuing this is wrong, both from the standpoint of security and the taxpayers. They feel it would be better to hold off additional commitments for this year, which end up in billions of dollars, until we have this discussion "at the summit," you might say, in Moscow.

I suggested to the chairman of the Senate Armed Services Committee that we not consider the ABM this year until we completed the

pending Helsinki talks, not commit ourselves for more money. Those talks and the date in May tie in together. I understand they will start the end of this month and end in May; so it all does sort of tie in together. We are now looking at this tremendous deficit and predicted deficit, the most ever in a peacetime year. I would hope if there is anything possible along these lines, we try to get it done.

Secretary ROGERS. That certainly is our objective, Senator.

COMMENDATION OF WITNESS

Senator SYMINGTON. I would say also with great respect that I admire the way you come and handled yourself before this committee. As you know, you have my complete respect and good wishes. It is our duty to ask these questions so we have better understanding as members. I thank you for your tolerance and understanding.

Secretary ROGERS. Thank you.

Senator PELL. Thank you, Mr. Chairman, and I second and echo those thoughts of Senator Symington.

EXECUTIVE SESSION CONCERNING STATE DEPARTMENT GRIEVANCE PROCEDURES

As I understand, Mr. Secretary, in connection with the grievance procedures in the State Department, you will be coming up again to talk to us in executive session on that subject?

Secretary ROGERS. That is right.

PROPORTION OF POLITICAL APPOINTEES TO ACHIEVE MISSIONS ABROAD

Senator PELL. Another question perhaps of more general interest. Is the proportion of political appointees to be chiefs of missions abroad more or less than it was 4 years ago?

Secretary ROGERS. It is about the same. It may be a little less. I would have to compare it.

Senator PELL. Roughly the same?

Secretary ROGERS. Roughly the same. I think maybe accurately a little less but, I am not sure. We can provide these figures.

(The information referred to follows:)

CAREER AND NON-CAREER U.S. CHIEFS OF MISSION STATISTICAL ANALYSIS BY YEARS

[Supplied by Department of State]

	Career		Noncareer		Total	
	Number	Percent	Number	Percent	Number	Percen
July 3, 1967	68	69	30	31	98	100
July 1, 1968	72	69	33	31	105	100
August 1969	62	67	30	33	92	100
July 1, 1970	72	68	34	32	106	100
Jan. 4, 1971	75	69	34	31	109	100
July 6, 1971	75	68	35	32	110	100
Jan. 4, 1972	71	70	31	30	102	100
Recap:						
1967		69		31		100
1968		69		31		100
1969		67		33		100
1970		68		32		100
January 1971		68		32		100
July 1971		68		32		100
January 1972		70		30		100

POSITIONS OCCUPIED BY POLITICAL APPOINTEES AND CAREER MEN

Senator PELL. I have noticed a tendency though that the political appointees seem to be more likely to be in the juicier positions and careermen in the less juicy positions. I think four years ago it was a little different. The political appointees were in Africa and the careermen were more in Europe. This is a tendency that does concern me.

HANDLING OF REFUGEES

Another subject, that is the subject of refugees and how they should be handled. As AID is gradually being diminished in scope, the matter of the Peterson Report, the government's policy, the Administration and legislature, one finds that they are groping rather desperately for means of staying alive. One way they are going to stay alive is to move hard into the refugee field and try to operate refugee work on a bilateral basis.

I was wondering how you were going to handle this problem because I have noticed in the last year or two that the AID refugee work is moving up in scope, providing for AID's continuing existence, whereas if it were done through the State Department, it would be done the way it should be without volunteer Americanization. You do not need bureaucracy to do it with the international organizations for refugees that we have. I was wondering what your comment was?

Secretary ROGERS. We have this matter under consideration for the reasons as you mentioned. We have given it some thought. As a matter of fact, I at one time had some reference to it in my foreign affairs report; that we might establish a new office to sort of coordinate this and upgrade our own office.

Senator PELL. Unfortunately AID has moved ahead of you and created an Office of Humanitarian Affairs. They have one jump on you.

Secretary ROGERS. On that score, Senator, I do not have any problem with AID at all. Under John Hannah they are very cooperative. I am sure whatever decisions we reach, a mutual decision, he could not be more cooperative.

Senator PELL. How are you moving?

Secretary ROGERS. Of course, AID does report to me; so it is not a totally separate organization.

Senator PELL. Will you be setting up this proposed bureau of humanitarian refugee affairs?

Secretary ROGERS. Well, as I said, it is under consideration. We haven't decided but it is something we will have to decide in the few next months.

PRESIDER AT NSC MEETINGS CONCERNING INDIA AND PAKISTAN

Senator PELL. This Committee has your interest and the State Department interest very much at heart in the sense of wanting to build up the Department of State as the main arm of our executive branch's foreign policy making apparatus and prevent its being eroded by NSC or the Defense Department or any other agencies of the government, but we see a sign that it is being eroded. For instance on the India-Pakistan meeting, who presided at those various NSC meetings? Was it the State Department man or was it Mr. Kissinger?

Secretary ROGERS. Well, those were presided over by the NSC because it was a White House meeting.

Senator PELL. Under the procedures originally set up, isn't the State Department representative, either you when it is a full meeting and the President is not there, or the appropriate assistant secretary if it is on the sublevel, supposed to preside at these meetings?

Secretary ROGERS. No, I do not think that is correct.

Senator PELL. Wasn't that the case——

Secretary ROGERS. On the major decisions they come to the Security Council itself and the President presides. Some of these activities are daily matters and it is really a question of coordination, getting different departments, so that it does not seem to me that is the problem. We were well represented. We had a lot of people there and obviously we had different points of view expressed.

Senator PELL. The most equal is always the chairman who presides and I was wondering about these meetings. I believe I am correct in saying that five or ten years ago at NSC meetings it was your representative who would have done the presiding. I think that power has been eroded. If I am wrong, I wish you would let me know.

Secretary ROGERS. I do not believe that is correct. But in any event I do not have that feeling at all. I know that it is one of the things that people say, but we have a strong voice.

In the first place they do not make decisions; it is a question of carrying out policy. But if it gets into the policy field I just take it up with the President. I have meetings with my people before they go over and I have a meeting with them when they come back. If there is anything that happens that is contrary to what I think should be done or contrary to the views of the Department as a whole I take it up with the President.

COMMUNIQUE PROCEDURE CONCERNING TELEGRAMS

Senator PELL. Is it correct that under recent procedures file copies of all your telegrams now go through the White House under your communique procedure?

Secretary ROGERS. I will have to find out whether it is all. A good many of them do and they go to the Defense Department. I mean it is a common thing. We get White House telegrams and get Defense Department telegrams.

FOREIGN POLICY MAKING CENTER'S MOVE TO NSC SUGGESTED

Senator PELL. I realize it is all the same government, but the concern that I have is that the center of foreign policy making was, I believe, moved over to the NSC rather than the State Department.

Secretary ROGERS. I do not believe you were here when this subject came up before, but I will be glad to repeat it.

Senator PELL. No, I will read the record.

TIME LAPSES IN PUBLISHING U.S. FOREIGN RELATIONS SERIES

In the past there have been a good many years elapsing between the publication of The Foreign Relations of the United States, sometimes 20 years, sometimes 25, sometimes less. Many many years ago,

up until actually 1900, there were two year lapses. Is there any way of closing the gap here so that we do not have to wait 25 years before the foreign relations series comes out?

Secretary ROGERS. I will let Mr. Macomber answer that because he has a request in for money for this purpose.

Mr. MACOMBER. In this authorization that is before you there is a request for extra resources which would allow us to declassify those volumes more rapidly and we go from 25 to 20. That would put us ahead of any other major country in the world. In addition the President announced a new declassification policy this morning which will automatically declassify the great bulk of classified material, top secret within 10 years and secret within 8 and confidential within 6, and also it withdraws from a number of organizations in the executive branch the right to classify at all.

Senator PELL. That is great.

Secretary ROGERS. I thought you might be interested to know we timed it that way to be sure it came out this morning because we anticipated the question.

CLASSIFICATION OF NUMBER OF PLANES INVOLVED IN AIR STRIKES

Senator PELL. This is not your direct responsibility, but I know there is a new procedure in connection with the raids on North Vietnam. Whereas until now the number of planes involved has been publicly released each time there has been an air strike, now apparently they will not be released; so that we will depend on Radio Hanoi, I guess, to find out the extent of the attacks.

I was wondering if you had been consulted in this procedure. My point is that I think the American taxpayers have a perfect right to know about these strikes, but apparently that part is going to be classified from now on.

Secretary ROGERS. When did this occur?

Senator PELL. It was in the press this morning. We will ask you next time on March 23.

Secretary ROGERS. Do it tomorrow morning.

Senator PELL. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. They are not strikes; they are protective reaction operations.

Senator PELL. Department of Defense.

The CHAIRMAN. But they are not strikes any longer.

SUBMITTED QUESTIONS RELATING TO BUDGET

I have a number of questions that relate directly to the budget which I would like to submit to you and have you or your assistant answer. It is too late to start them and belabor them now. They are not very exciting, but they are necessary. Will that be all right?

Secretary ROGERS. Yes.

The CHAIRMAN. Our staff will get together with your staff and submit these and we can work out the answers. I do not think there will be too much difficulty.

WITNESSES FOR TOMORROW'S HEARING

I want to announce that tomorrow Mr. Martin Hillenbrand, Assistant Secretary and Mr. Brown, Acting Assistant Secretary will be here at 10 o'clock to discuss European Affairs, East Asia and the Pacific, and Mr. Meyer of the Bureau of Inter-American Affairs, Mr. Sisco of the Bureau of Near East and South Asian Affairs and Mr. Newson of the Bureau of African Affairs, will be here at 2:30 tomorrow afternoon.

Thank you very much, Mr. Secretary. I think it has been a very interesting meeting. This was our first time to greet you this year and we look forward to more meetings.

Secretary ROGERS. Thank you, Mr. Chairman.

(Whereupon at 12:55 p.m., the Committee adjourned subject to the call of the Chair.)

(Additional questions submitted to the Secretary of State and answers follow:)

QUESTIONS SUBMITTED TO SECRETARY OF STATE ROGERS BY THE CHAIRMAN FOR THE RECORD AND ANSWERS

Question 1. With reference to the decision making process would you please provide:

(a) a list of the members of the senior bodies which assist and support the National Security Council (Senior Review Group, etc.);

(b) a list of all standing NSC inter-agency subcommittees and the membership of each; and

Answer.

SENIOR REVIEW GROUP

Henry A. Kissinger, Assistant to the President for National Security Affairs, Chairman.
John Irwin II, Under Secretary of State.
Kenneth Rush, Deputy Secretary of Defense.
Adm. Thomas Moorer, Chairman, Joint Chiefs of Staff.
Richard Helms, Director, CIA.
Charls Walker, Under Secretary of the Treasury.
Other agency representatives, as appropriate.

DEFENSE PROGRAM REVIEW COMMITTEE

Henry Kissinger, Chairman.
John Irwin II, Under Secretary of State.
Kenneth Rush, Deputy Secretary of Defense.
Richard Helms, Director, CIA.
Adm. Thomas Moorer, Chairman, JCS.
Herbert Stein, Chairman, Council of Economic Advisors.
George Shultz, Director, Office of Management and Budget.
Philip Farley, Deputy Director, Arms Control and Disarmament Agency.
Other agency representative, as appropriate.

SENIOR WASHINGTON SPECIAL ACTIONS GROUP

Henry Kissinger, Chairman.
John Irwin II, Under Secretary of State.
Kenneth Rush, Deputy Secretary of Defense.
Richard Helms, Director, CIA.
Adm. Thomas Moorer, Chairman, JCS.
Other agency representatives, as appropriate.

VERIFICATION PANEL

Henry Kissinger, Chairman.
John Irwin II, Under Secretary of State.
Kenneth Rush, Deputy Secretary of Defense.
Richard Helms, Director, CIA.
Adm. Thomas Moorer, Chairman, JCS.
Gerard Smith, Director, Arms Control and Disarmament Agency.
Edward David, Director, Office of Science and Technology (Observer).
Other agency representatives, as appropriate.

UNDER SECRETARIES COMMITTEE

John Irwin, Under Secretary of State, Chairman.
Kenneth Rush, Deputy Secretary of Defense.
Richard Helms, Director, CIA.
Adm. Thomas Moorer, Chairman, JCS.
Henry Kissinger, Assistant to the President of National Security Affairs.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL POLITICAL/MILITARY GROUP

Ronald Spiers, Director, Bureau of Politico-Military Affairs, Department of State, Chairman.
Representatives of Defense, JCS, CIA, NSC Staff.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL GROUP—AFRICA AFFAIRS

David Newsom, Assistant Secretary of State for African Affairs, Chairman.
Representatives of Defense, JCS, CIA, AID, USIA, NSC Staff.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL GROUP—INTER-AMERICAN AFFAIRS

Charles Meyer, Assistant Secretary of State, Inter-American Affairs, Chairman.
Representatives from Defense, JCS, CIA, USIA, Commerce, Treasury, Action, Agriculture, OMB, NSC Staff.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL GROUP—EAST ASIA AND PACIFIC AFFAIRS

Marshall Green, Assistant Secretary of State, East Asian and Pacific Affairs, Chairman.
Representatives of Defense, JCS, CIA, AID, USIA, NSC Staff.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL GROUP—EUROPEAN AFFAIRS

Martin Hillenbrand, Assistant Secretary of State, European Affairs, Chairman.
Representatives of Defense, JCS, CIA, NSC Staff.
Other agency representatives, as appropriate.

INTERDEPARTMENTAL GROUP—NEAR EAST AND SOUTH ASIA AFFAIRS

Joseph Sisco, Assistant Secretary of State, Near Eastern and South Asian Affairs, Chairman.
Representatives of Defense, JCS, CIA, NSC Staff.
Other agency representatives, as appropriate.

NATIONAL SECURITY COUNCIL INTELLIGENCE COMMITTEE

Henry A. Kissinger, Assistant to the President for National Security Affairs, Chairman.
John Irwin II, Under Secretary of State.
Kenneth Rush, Deputy Secretary of Defense.
Richard Helms, Director, CIA.
Adm. Thomas Moorer, Chairman, JCS.

Attorney General.
Other agency representatives, as appropriate.

COUNTRY PROGRAM MEMORANDUM WORKING GROUPS

Representatives of the Secretary of State (Chairman), Secretary of Defense, Director of CIA, Director of the Office of Management and Budget, Director of AID, Chairman of the JCS and the NSC.
Other agency representatives, as appropriate.

INTERAGENCY COMMITTEE FOR REVIEW OF THE COORDINATION PROCEDURES FOR SOCIAL SCIENCE RESEARCH IN THE FIELD OF NATIONAL SECURITY POLICY

Representatives of the Secretary of State (Chairman), Secretary of Defense, Secretary of HEW, Director of ACDA, Director of USIA, Administrator of AID, Director of OMB, Director of OST, Director of CIA and the NSC.
Other agency representatives, as appropriate.

SECURITY ASSISTANCE PROGRAM REVIEW COMMITTEE

John Irwin II, Under Secretary of State, Chairman.
Representatives of Defense, JCS, CIA, OMB and NSC Staff.
Other agency representatives, as appropriate.

Question (C). Please provide a description of the function of the Under Secretaries Committee and a copy of the directive stating its mission and purpose.

Answer. The Under Secretaries Committee, chaired by the Under Secretary of State, links the process of policy formulation to the operations of the government. Through interagency review and coordination, it helps to insure that decisions are carried out consistently with policy and uniformly throughout the foreign affairs community. It also recommends to the President alternative operational steps to implement broad policy decisions; it develops the details, for example, of our positions in certain important negotiations within the guidelines laid down by the National Security Council.

Attached is a copy of the Department's Foreign Affairs Manual Circular No. 521, February 6, 1969 which established the USC and describes its functions.

FOREIGN AFFAIRS MANUAL CIRCULAR NO. 521

FEBRUARY 6, 1969.

Subject: Reorganization of the National Security Council, System and Direction, Coordination and Supervision of Interdepartmental Activities Overseas.

1. REORGANIZATION OF THE NATIONAL SECURITY COUNCIL SYSTEM

To assist him in carrying out his responsibilities for the conduct of national security affairs, the President has designated the National Security Council as the principal forum for consideration of national security policy issues requiring Presidential decision. In addition to utilizing the NSC itself he has reorganized the NSC system to constitute certain groups and committees, and has designated responsibilities to the Department of State, as described below:

a. NSC Interdepartmental Groups

The previously existing Interdepartmental Regional Groups and the Political-Military Interdepartmental Group, have been reconstituted as Interdepartmental Groups in the NSC system, chaired by the appropriate Assistant Secretary of the Department of State. The membership of these Groups will include representatives of the Assistant to the President for National Security Affairs, the Secretary of Defense, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff and other agencies at the discretion of the Chairman depending on the issue under consideration.

The Interdepartmental Groups will:

discuss and decide interdepartmental issues which can be settled at the Assistant Secretary level, including issues arising out of the implementation of NSC decisions;

prepare policy papers for consideration by the NSC;

prepare contingency papers on potential crisis areas for NSC review.

b. NSC Ad Hoc Groups

When appropriate, the President will appoint NSC *Ad Hoc* Groups to deal with particular problems, including those which transcend regional boundaries.

c. NSC Review Group

An NSC Review Group has been established to examine papers such as those coming out of the Interdepartmental Groups, NSC Ad Hoc Groups, or departments prior to their submission to the NSC. The Review Group, chaired by the Assistant to the President for National Security Affairs, will include representatives of the Secretary of State, the Secretary of Defense, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff, and other agencies at the discretion of the Chairman, depending on the issue under consideration. The Reveiw Group will review papers to assure that:

the issue under consideration is worthy of NSC attention;

all realistic alternatives are presented;

the facts, including cost implications, and all departments' and agencies' views are fairly and adequately set forth.

The Review Group may assign action to the NSC Interdepartmental Groups or NSC *Ad Hoc* Groups, as appropriate, and may refer issues to the Under Secretaries Committee.

d. The NSC Under Secretaries Committee

An NSC Under Secretaries Committee has been established under the Chairmanship of the Under Secretary of State, assisted by the Under Secretary for Political Affairs who will also act as his alternate, consisting of the Deputy Secretary of Defense, the Assistant to the President for Natonal Security Affairs, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff, and depending on the issues under consideration, ranking officers of other agencies at the discretion of the Chairman. The Under Secretaries Committee will consider:

(1) issues referred to it by the NSC Review Group;

(2) operational matters pertaining to interdepartmental activities of the U.S. Government overseas:

on which NSC Interdepartmental Groups have been unable to reach agreement, or which are of a broader nature than is suitable to any such groups;

which do not require consideration at Presidential or NSC level; and

which are referred to it by the Secretary of State.

(3) other operational matters referred to it jointly by the Under Secretary of State and the Assistant to the President for National Security Affairs.

2. AUTHORITY AND RESPONSIBILITY OF THE SECRETARY OF STATE

a. The President has affirmed the position of the Secretary of State as his principal foreign policy adviser and his responsibility, in accordance with approved policy, for the execution of foreign policy.

b. He has assigned to the Secretary authority and responsibility to the full extent permitted by law for the overall direction, coordination and supervision of interdepartmental activities of the United States Government overseas. This authority includes continuous supervision and general direction of economic assistance, military assistance and sales programs, as provided in the Foreign Assistance Act of 1961, as amended. (The authority does not extend to

(1) the activities of United States military forces operating in the field where such forces are under the command of a United States area military commander,

(2) such other military activities as the President elects to conduct through military channels, and

(3) activities which are internal to the execution and administration of the approved programs of a single department or agency and which are not of such a nature as to affect significantly the overall U.S. overseas program in a country or region.)

c. Previously established responsibilities of the Department of State by virtue of law or Executive Order with respect to such matters as international educa-

tional and cultural affairs, information activities, foreign assistance, food for peace, arms control and disarmament, supervision of programs authorized by the Peace Corps Act, social science research, immigration and refugee assistance continue in effect.

d. In the implementation of his responsibilities for the execution of foreign policy and for the direction, coordination and supervision of interdepartmental activities overseas the Secretary of State intends to utilize, in addition to the normal resources of the Department, the system of NSC Interdepartmental Groups and the Under Secretaries Committee outlined above. Within the purview of these responsibilities executive authority is delegated by the Secretary to the Chairmen of these Committees.

e. Chiefs of Diplomatic Missions in foreign countries, as representatives of the President and acting on his behalf, continue to be in charge of all elements of the United States Diplomatic Mission and to exercise affirmative responsibility for the direction, coordination and supervison of all activities of the United States Government in their respective countries.

(NOTE.—Number of last circular issued : FAMC No. 520.)

Question 2. The winter issue of Foreign Policy Magazine contains an article concerning the National Security Council system by Mr. John Leacacos which states:

"At Secretary Rogers' urging, a new system of evaluating, country by country, programs, costs and resources, especially those controlled overseas by other agencies, is being installed within State. The goal is to give State more weight bureaucratically vis-a-vis other agencies in the implementaton of foreign policy, thus compensating in part for the ineffectiveness of the moribund NSC Under Secretaries Committee. The long-term objective is to "institutionalize" within State the procedural patterns of the Nixon NSC, thus assuring that they survive beyond the Nixon presidency."

Is this accurate?

Will this system enable State to make a qualitative judgment on all U.S. activities abroad? Would you supply the Committee with copies of these country-by-country analyses?

Answer. We do not view the Department's Policy Analysis and Resource Allocation (PARA) process in the same vein as used by Mr. John Leacacos. The objectives of the process are described in the Report of the Secretary of State "United States Foreign Policy—1971" issued in March 1972 (please see pages 387–390). As this description suggests, the PARA is intended to assist the Washington headquarters in reaching judgments on the nature and level of at least the major U.S. activities abroad.

As in the past, we will consider each request for a specific PARA-CASP document, if it has been approved by an inter-departmental group, on its own merit.

Question 3. The same article lists 138 policy studies initiated by the Council under the Nixon Administration.

(a) Under the present system does the NSC organization ever ask the State Department, or perhaps the Department of Defense, to make a study of a given subject? If so, would you provide the Committee with a list of those done by State within the last year?

(b) What function does State's Planning and Coordination Staff serve since this system has grown up in the White House? How is its work coordinated with that done under the NSC set-up?

(c) Do you think this Committee should have the right to obtain access to NSC research papers which are not either personal projects of the President or policy recommendations made to Him? Would you supply for the record a detailed statement of the policy concerning the Executive Branch's view concerning this Committee's right of access to reports or other material prepared under the National Security Council System, and the legal basis for that position?

Answers:

The great majority of the studies requested by the NSC are prepared by one of the NSC Interdepartmental Groups which are chaired by the various Assistant Secretaries of State. Occosionally a study will be prepared by an ad hoc group created for the purpose. The State Department either chairs or is represented on all these ad hoc groups.

During 1971 we participated in the preparation of 31 studies on the following subjects:

Vietnam
Document Declassification Procedures
Oil
Horn of Africa
Greece
The Caribbean
U.S.–U.S.S.R. Relations
Peaceful Uses of Atomic Energy
NATO
Japan
South Asia
U.S.-U.K. Relations
Australia and New Zealand
Nuclear issues
Yugoslavia
Cyprus
Expropriation
Iceland
Malta
Berlin
European Security Conference
Rhodesia

As part of its responsibilities, the Department's Planning and Coordination Staff supports the Department's principals in their participation in the NSC process. Through a continual process of information exchange, the NSC and the S/PC staffs maintain close liaison which prevents a duplication of effort and a close linkage between the Department's planning processes and that of the NSC.

Such NSC papers are considered to be internal working documents and it has been the unbroken practice of every administration to limit the distribution of NSC material exclusively to the Executive Branch. The information contained in the papers is available to the Committee in other forms, and we would be pleased to provide oral briefings on the subjects and the issues involved.

Question 4. Would you provide:

(a) A breakdown of the overall annual cost of implementing our nation's foreign policy, including the costs of maintaining forces to back up or mutual security treaties, for FY 1972 and proposed for FY 1973;

(b) A listing of all agencies involved in the making or implementation of foreign policy or the protection of U.S. interests abroad and an estimate of the number of people involved, here and abroad, and the cost for each agency; and,

(c) A list of all foreign assistance—direct and indirect, military and economic—to be provided by the United States in FY 1972 and proposed for FY 1973 broken down on a country-by-country basis where possible (including contributions to multilateral organizations).

Question 4. (d) A country-by-country list of the costs of each agency's program or activities to promote U.S. interests and objectives abroad in FY 1973 and estimated for FY 1973, including, but not limited to, the State Department, USIA, Peace Corps, Defense Department, etc., and all economic and military assistance programmed for each country.

Answer. The estimated costs (outlays) of the function "International Affairs and Finance" are presented on Page 89 of "The Budget of the United States Government" (House Document No. 92–215, Part 1). The estimated outlay for this function for FY 1972 is $3,960,000,000 and for FY 1973 is $3,844,000,000. To these figures, the outlay for military assistance should be added (FY 1972—$950,000,000 and FY 1973—$750,000,000). As for the cost of "maintaining forces to back up our mutual security treaties," the most recent information available to the Department was provided to the Subcommittee on United States Security Agreements and Commitments Abroad in late 1969 and 1970. However, it should be noted that these costs are probably more accurately attributed to the national defense function rather than foreign policy.

These figures do not include the relatively minor costs incurred by a number of domestic agencies, who have staffs overseas.

LIST OF AGENCIES

Department of State
Agency for International Development
United States Information Agency
Department of Defense
Peace Corps
Department of Agriculture
Department of Commerce
Department of Health, Education, and Welfare
Department of Justice
National Aeronautics and Space Administration
Department of Transportation
Department of Treasury
American Battle Monuments Commission
Atomic Energy Commission
Environmental Protection Agency
Export-Import Bank
General Services Administration
Department of Interior
Department of Labor
National Science Foundation
Smithsonian Institute
Tennessee Valley Administration
Veterans' Administration

The estimated number of people for each of these agencies, with the exception of certain classified information, has been previously provided to the Committee as part of the justification material. The Department does not have complete cost estimates for each of these agencies. The best information available is included in the Administration's Budget, already submitted to the Congress.

The information concerning Security Assistance was provided the Committee as part of the Administration's presentation on this subject. The data concerning development assistance will be made available to the Committee as soon as it is ready for presentation to the Appropriations Committees.

Question 5. (a) A Foreign Affairs Manual Circular, issued February 6, 1969 states that the President ". . . has assigned to the Secretary authority and responsibility to the full extent permitted by law for the overall direction, coordination and supervision of interdepartmental activities of the United States Government overseas."

(b) Why shouldn't the State Department be responsible for the costs of all U.S. operations abroad, other than for military installations and troops?

(c) What control does the State Department have over the sending abroad of personnel from other agencies? Are other agencies required to get State's approval? Does State have to approve the sending of FBI Agents abroad, for example?

(d) To what extent is the Ambassador in a country abe to control all U.S. operations within the country—including intelligence operations? Would you supply for the record information as to the specific authority which gives the Ambassador control other other agencies?

(e) What plans are there, if any, to reduce the number of State Department personnel abroad and also personnel of other agencies abroad, within the next year?

(f) Do you know how the number of U.S. personnel abroad compares with that for other countries? Would you supply for the record a list of the comparable number of official personnel abroad from the Soviet Union, China, Germany, Great Britain, and Japan?

Answer. The responsibility for controlling expenses incurred abroad rests by law with the individual agencies concerned. Responsibility for total budgetary control rests with the Office of the President and the Congressional Committees on Appropriations.

The Under Secretaries Committee is charged with the responsibility for approving overseas personnel ceilings for all U.S. Government agencies. Any changes in these ceilings must receive the approval of that Committee. The formal authority of an Ambassador derives from Executive Order No. 10893, dated November 8,

1960 and from a series of Presidential letters, the latest of which is dated December 9, 1969. Both references are attached. As stated, the Ambassador has "affirmative responsibility for the coordination and supervision over the carrying out by agencies of their functions in the respective countries."

The Department has not completed the reduction of its staff overseas as required by the recent 5% reduction. A number of additional positions must still be abolished. As for personnel of other agencies, the final decision on size of their establishments overseas for the next year have not yet been made.

The only information available is that which derives from the diplomatic list as issued by most foreign ministries. The number of people on the diplomatic list do not represent the total number of nationals from a state assigned to any particular embassy. It is therefore not entirely useful for comparative purposes. The following examples are available to the Department, but in view of the deficiencies of the data, firm conclusions should not be drawn from it.

NATIONALS OF SENDING STATES ON DIPLOMATIC LIST

Post	Peoples Republic of China.	France	Federal Republic of Germany	United Kingdom	U.S.S.R.
Belgrade	13	12	13	15	39
Moscow	11	38	51	33	
Tunis		20	11	7	14
Nairobi		12	9	25	10
Tripoli		14	6	14	17
Tehran	4	24	15	23	46
New Delhi	7	21	25	45	67

011:2 Responsibilities of Chiefs of U.S. Diplomatic Missions

a. Executive Order No. 10893, Part II, November 8, 1960, reads as follows:

"Part II. Coordination and Supervision of Functions Abroad

"Section 201. *Functions of Chiefs of United States Diplomatic Missions.* The several Chiefs of the United States Diplomatic Missions in foreign countries, as the representatives of the President and acting on his behalf, shall have and exercise, to the extent permitted by law and in accordance with such instructions as the President may from time to time promulgate, affirmative responsibility for the cordination and supervision over the carrying out by agencies of their functions in the respective countries."

b. President Nixon sent to each American Ambassador the following letter.

The White House,
Washington, December 9, 1969.

Dear Mr. Ambassador: Your mission as American Ambassador to (country of assignment) is of the utmost significance to our country and to me personally. I wish you every success in this endeavor.

I attach the greatest importance to my Constitutional responsibilities for the conduct of our relations with other countries. As the personal representative of the President of the United States, you share these responsibilities in the country to which you are accredited.

You will, of course, report to me through and normally receive your instructions from the Secretary of State who has responsibility not only for the activities of the Department of State but also for the overall direction, coordination and supervision of United States Government activities overseas.

I believe that all possible measures should be taken to improve and tighten the processes of foreign policy implementation abroad. I know I can count on your full support in directing the activities of all elements of the United States Mission to achieve this objective. To assure you and all concerned that you have my full personal backing, I want to make the following comments on your own authority and responsibilities.

As Chief of the United States Diplomatic Mission, you have full responsibility to direct and coordinate the activities and operations of all of its elements. You will exercise this mandate not only by providing policy leadership and guidance, but also by assuring positive program direction to the end that all United States activities in (the host country) are relevant to current realities, are efficiently and

economically administered, and are effectively interrelated so that they will make a maximum contribution to United States interests in that country as well as to our regional and international objectives.

I am concerned that the size of our representation abroad be related to a stringent appraisal of policy and program requirements and that the number of personnel of all agencies be kept at the very minimum necessary to meet our objecjectives. I shall expect you to maintain a continuing personal concern on this matter and to inform the Secretary of State when you believe that the staff of any agency or program is excessive.

I shall expect you to assure the highest standards of personal conduct by all United States personnel, civilian or military; you have authority to take any corrective action which in your judgment is necessary.

You have, of course, the right to be kept informed, to the extent you deem necessary, of all the information or recommendations reported by any element of the Mission. The Secretary of State and I have made it clear that we will welcome the opportunity to consider alternative policies and courses of actions before making final decisions. When you or other members of your Mission believe such alternatives merit consideration, we encourage your putting them forward along with your own recommendations.

I will reserve for myself, as Commander-in-Chief, direct authority over the military chain of command to United States military forces under the command of a United States area military commander, and over such other military activities as I elect, as Commander-in-Chief, to conduct through military channels.

However, I will expect you and the military commanders concerned to maintain close relations with each other, to keep each other currently informed on matters of mutual interest and in general to cooperate in carrying out our national policy. If differences of view not capable of resolution in the field should arise, I will expect you to keep me informed through the Secretary of State.

I deeply believe, as I said in my Inaugural Address, that forces now are converging that may make possible the realization of many of man's deepest aspirations. If "the times are on the side of peace." I also deeply believe that you, and the dedicated personnel of the Foreign Service and the other departments and agencies who comprise the staff of your Mission, will insure that we take maximum advantage of the opportunities that are so clearly before us.

With my best wishes,

Sincerely,

(Signed) RICHARD NIXON.

Question 6. Would you provide an estimate of the total number of people and the costs involved in the collection and analysis of intelligence information from abroad?

Answer. As indicated in Mr. Ray Cline's response during his testimony, he estimated costs of intelligence collections as approximately $3 billion.

Question 7. Would you please provide an estimate of the overall annual costs of operating all communications systems for handling traffic to and from abroad?

Answer. The total annual cost of the Department for telegraphic communication is $13,000,322. The total cost for diplomatic pouch service is $6,000,485.

Question 8. How many vacancies are there in the Department now; how many more do you expect by the end of this fiscal year; and how many vacancies will occur through normal attrition in FY 1973?

What are the estimated annual costs for filling the vacancies in each category?

How many posts were closed or are scheduled to be closed in FY 1972 and FY 1973 and what are the estimated annual savings in each case?

How many new posts are scheduled to be opened in FY 1973 and at what cost for each?

As you may know, the Legislative Reorganization Act of 1970 requires that each Committee report on authorization legislation give a five-year estimate of the costs involved. Would you provide the Committee with your estimate of the five year costs for the programs to be authorized by this bill?

How many military attaches are stationed abroad? How many members of MAAG's or military missions?

Has the Department made a study in recent years concerning the question of allowances and other fringe benefits for U.S. personnel serving abroad? If not, does it think this subject deserves study?

On the subject of representational allowances, would you supply for the record the general regulations concerning use of these funds and information comparing the size of our allotments for these purposes with those of other countries?

Answer. The information requested will be submitted as part of the answers to be provided by Mr. Macomber, Deputy Under Secretary for Management.

Question 9. How many people in the Department of State have the authority to classify material? To declassify material on their own initiative without reference to higher authority?

Answer. The Department's Security Regulations enumerate the categories of personnel authorized to "assign" security classifications to documents. Briefly, any employee of the Department of State originating classified material has the initial responsibility for assigning the classification. The document, its content and its classification, becomes final, however, only when approved and signed by a certifying officer.

The authority to certify the classification Top Secret is limited to the principal officer or his designee at each overseas post and to office directors or higher officials within the United States. Of 13,341 employees serving in the United States and abroad, approximately 800 or 6% are authorized to certify the classification Top Secret. Officials authorized to certify the classification Secret include the principal officer or his designee at each overseas post and division chiefs or higher officials within the United States. Approximately 1,750 or 13% of all employees may certify the classification Secret. Officials authorized to certify the classification Confidential and Limited Official Use are those designated by the principal Officer overseas and branch chiefs or higher officers within the United States. Approximately 5,435 or 41% of all employees are authorized to certify the classification Confidential.

As a normal supervisory function and in accord with the Regulations, any intermediate or final approving officer, in approving the content of the document, must also thereby attest to the appropriateness of the classification and, of course, may change it.

In the Department, an originating officer or his successor, with certifying authority, can declassify a document. Additionally, any recipient of such a document can request the office of origin or the office of primary interest for declassification or downgrading.

With the latter's approval a new classification can be substituted; however, the approving officer must notify the custodian of the record copy and/or original addressees of the change. In return the latter must also initiate similar steps.

Question 10. How many pieces of classified material are handled by the Department annually?

Answer. There seems to be no practical way to acquire accurate figures on the number of documents originated in the Department of State, much less to break them down by security classification. The volume of documents handled (see below) and the variety of both forms and routing of documents are not conducive to a centralized accountability system.

Using a sampling technique involving counting the traffic processed on a recent "typical day," the Department's Communications Center calculates that it is processing classified telegrams at a current annual rate of just over 218,000 messages. This includes incoming as well as outgoing and the vast majority are of Departmental or Foreign Service origin. Copies, of course, will depend on the nature of the message but distribution has been averaging 79 copies of each telegram for a total annual paper flow of just over 17,000,000 copies.

During Fiscal Year 1971, the Department and Foreign Service originated 65,725 airgrams, the principal non-telegraphic medium of communication between Washington and the field. Again, using a sampling technique, we calculate that appoximately twenty-five percent of these were classified or administratively controlled, with one-half of one percent of the total in the Top Secret category, five percent in the Secret and twenty percent Confidential and Limited Official Use. We believe that these proportions are also fairly representative of the telegraphic traffic and the other, less formal means of communications—memoranda, letters, etc.

During Fiscal Year 1971 the Department's Bureau of Intelligence and Research published about 1,000 documents, approximately eighty-five percent of which were classified or administratively controlled.

In addition to the foregong data, the Department of State also receives and distributes documents from other agencies. During Fiscal Year 1971, the Department handled approximately 670,000 separate documents from these agencies. The number of copies of each document varied from only one to two copies each to a hundred or more of certain classified publications. Including copies, nearly four and one-half million such items were processed during Fis-

cal Year 1971. While figures are kept to reflect the agencies originating these documents, as well as the general types of materials, there is no data on the levels of classification involved.

The total amount of classified doucments, both State and other agencies, processed by the Department in Fiscal Year 1971 totalled over 900,000 separate publications. Based on the average number of copies for each type of document, the Department distributed approximately 24,000,000 items during this period, most of them classified.

Question 11. How much does it cost the Department to manage its classification system? How much could be saved if the amount of material classified each year were cut in half?

Answer. The Department has recently conducted an audit of the costs involved in the protection of sensitive information. This study was made for the General Accounting Office, which, in turn, had been asked for the data by Congressman Moorhead. The study is not yet complete and, further, will be subject to GAO review, but the figures presently available indicate that the total annual cost of administering the classification program is approximately $15,000,000 per annum. This total includes costs for some services, mainly the communications area, which the Department would bear even if there were no classified materials to be handled and, thus, represents a maximum estimate subject to downward revision.

Addressing the second part of the question relating to the savings which theoretically may be affected if the amount of material classified each year were reduced by 50 percent. If this question is interpreted to mean that each successive year the volume of material classified would be reduced by one-half from the previous year so that by the 7th year the volume would be less than one percent of the base year, it would be highly speculative as to the total savings after the third or fourth year.

Under the assumption that it would be possible to eventually reduce the total volume of classified documents by 50 percent, the question does not give definitive basis on the means by which that reduction would be achieved—originating fewer classified documents or simply a 50 percent volume reduction achieved by a more limited duplication and dissemination? Or another concept might mean the same volume of documents would be originated but large numbers would not longer qualify for classification.

By whatever system the 50 percent reduction would be realized a major portion of the savings would probably initially accrue by requiring less safe storage equipment and/or using relatively inexpensive containers of lessor security quality. Additional savings would also be effected by sending fewer classified items through secure channels, i.e. Courier Channels, Registered Mail, or classified Messenger. Savings effected through this latter method would probably be of modest magnitude since the Couriers and Classified Messenger would probably travel as far and almost with the same frequency but presumably carrying less material. The savings here would be offset somewhat by sending the same material through less expensive channels. There might be further incidental savings on stenographic activity or internal distribution but the same basic services would continue to exist, but presumably with a theoretical reduction in volume and hence a speculative reduction in the cost of clerical services. Most would remain static if the quality of protection of documents were not reduced.

There is no positive way to project the magnitude of these savings, but based solely on a 50 percent reduction of classified material, best estimates would lead one to believe that savings would be in a range of 10 to 15 percent.

Question 12. Does the Department of State keep track of the number of times classified material is leaked and appears in the press—including leaks by the White House and other agencies? Do you know how many times there has been an investigation within the last year of State Department personnel concerning a leak of classified material?

Answer. The Department of State does maintain a record of possible leaks of classified material that appear in the news media. This action is restricted only to the Department's material and generally does not include "leaks by the White House or other agencies." Records reflect that during the past year 15 inquiries of this nature were conducted by the Department of State.

Question 13. How many regular publications does State issue, how many of each, and at what cost for preparation and production?

How many press releases, background documents, or similar publications did State produce last year and at what cost?

Answer. The information requested is included in the responses to the questions submitted to Mr. Richardson, Acting Assistant Secretary for Public Affairs.

ANSWERS TO QUESTIONS SUBMITTED TO THE SECRETARY OF STATE BY SENATOR CASE

Question 1. How does the number of Foreign Service Officers at the lower and middle grades who have resigned over the last year compare with the number who resigned five years ago?

Answer. The number of mid-career and junior officers resigning has sharply declined from previous years. Data for FSO–5 and below is noted for the previous five fiscal years and for the first half of FY '72.

The majority of FSO–4 officers and above separated from the Service through retirement. The majority of FSO–5 officers and below separated from the Service through resignation.

FSO RESIGNATIONS—FISCAL YEAR 1967 THRU FISCAL YEAR 1971 AND FISCAL YEAR 1972 TO MAR. 8, 1972

	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970	Fiscal year 1971	(Fiscal year 1972 to Mar. 8, 1972)
FSO-5	11	12	23	20	10	6
FSO-6	21	17	28	17	20	8
FSO-7	9	27	21	11	7	3
FSO-8	3	5	2	1	2	0
Total	44	61	74	49	29	(17)
	June 1967	June 1968	June 1969	June 1970	June 1971	(Dec. 31, 1972)
Total FSO strength	3,568	3,452	3,272	3,089	3,071	(3,086)

Question 2. Are more people leaving the Foreign Service now than was the case a few years ago?

Answer. No! The trend noted above applies equally to all Foreign Service employees. Reasons for the decline in total separations include extension of time-in-class regulations for mid-career FSOs, government wide reduction program and the general state of the economy (higher unemployment). Foreign Service payplans include FSO, FSR and FSS. Total Foreign Service separations by fiscal year and total full-time permanent Foreign Service strength are noted:

Total FS Separations

Fiscal year:	
1967	1,763
1968	851
1969	948
1970	933
1971	519
Fiscal year 1972 to Mar. 8, 1972	(341)

Total FS Strength

June 1967	10,942
June 1968	10,521
June 1969	9,878
June 1970	9,055
June 1971	8,953
Dec. 31, 1971	(8,816)

Question 3. Would you supply for the record a detailed description of the process by which ambassadors are selected?

Answer. The President personally determines the persons whom he desires to represent him abroad as Ambassadors in charge of diplomatic missions. His selections must, of course, be approved by the Senate. In case the President or the Secretary of State, or both, are of the opinion that a Foreign Service Officer should be named as Ambassador to any given post, the usual custom is for the Secretary of State to recommend to the President the officer who, in the opinion of the Department, might be considered for appointment.

The Secretary is advised in making such recommendations by the Under Secretary, the Under Secretary for Political Affairs, the Deputy Under Secretary for Management, the Director General of the Foreign Service, and the Assistant Secretaries in charge of geographic bureaus.

Question 4. Would you provide for the record a detailed explanation of the types of materials which you think you have a right to refuse to make available to members of this Committee?

Answer. Early in this Administration, on March 2, 1969, President Nixon addressed a memorandum to the heads of all Executive Departments and Agencies in which he stated the policy of this Administration regarding requests from Congress for information. The President stated:

"The policy of this Administration is to comply to the fullest extent possible with Congressional requests for information. While the Executive branch has the responsibility of withholding certain information the disclosure of which would be incompatible with the public interest, this Administration will invoke this authority only in the most compelling circumstances and after a rigorous inquiry into the actual need for its exercise. For those reasons Executive privilege will not be used without specific Presidential approval."

In pursuance of this policy, the Department has provided to the Congress, including the Foreign Relations Committee, an unprecedented volume of information. The Executive Branch, in the overwhelming number of cases, has provided the information requested by the Congress. Only on rare occasions, and with the approval of the President, has the Executive Branch ultimately refused information to the Congress.

The Department of State has no identifiable list of types of materials which it believes it has a right to refuse to make available to members of the Foreign Relations Committee. In responding to requests for information, the Department has made available responsible and informed officials, to the Committee as a whole, to individual members, and to members of the staff to provide information at our disposal. We have supplemented such oral communications with many letters and reports prepared especially for the Committee at its request. In such ways, we have tried to make available to the Committee, its members and its staff the most complete and the most comprehensive account of developments and policies in our foreign relations.

Question 5. And the legal basis for your position?

Answer. It has long been recognized that the Administration has the legal right to refuse information under the doctrine of executive privilege. Executive privilege is the power of the President to preserve the integrity of his constitutionally assigned functions by withholding information the disclosure of which would impair the process by which the Executive Branch carries out those functions or would be contrary to the public interest. The doctrine of Executive privilege is implicit in the separation of powers established by the Constitution. The doctrine of Executive privilege arises not from any statute or administrative regulation, but rests directly on the Constitution itself and the design of the Founding Fathers for a separation of powers between the Executive Branch, the Legislative Branch and the Judiciary.

DEPARTMENT OF STATE APPROPRIATIONS AUTHORIZATION, FISCAL YEAR 1973

THURSDAY, MARCH 9, 1972

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10:00 a.m., in room 4221, New Senate Office Building, Senator J. W. Fulbright (chairman), presiding.

Present: Senators Fulbright, Sparkman, Church, Spong, Aiken, Case, Cooper and Javits.

Also present: Mr. William B. Macomber, Deputy Under Secretary for Management, Department of State.

The Chairman. The Committee will come to order.

OPENING STATEMENT

The first witness this morning is Mr. Martin J. Hillenbrand, Assistant Secretary of State for European Affairs, accompanied by Miss Joan M. Clark, Executive Director. We are very pleased to have you, Mr. Hillenbrand. Do you have a statement to make?

Mr. HILLENBRAND. I do, Mr. Chairman. Would you like me to make it or read it into the record?

The CHAIRMAN. You are familiar with it. If it is not very long, use your judgment. You can read it or summarize it, which suits you best.

Mr. HILLENBRAND. I think it might be useful to read it.

The CHAIRMAN. Fine, proceed.

STATEMENT OF MARTIN J. HILLENBRAND, ASSISTANT SECRETARY OF STATE FOR EUROPEAN AFFAIRS, ACCOMPANIED BY JOAN M. CLARK, EXECUTIVE DIRECTOR

Mr. HILLENBRAND. Mr. Chairman and members of the committee, the Bureau of European Affairs is charged by the Secretary of State with promoting the interests of the United States in the conduct of relations with Canada, 25 European countries, and with three major international organizations—NATO, the Organization for Economic Cooperation and Development (OECD), and the European Community. The only countries within our geographic area of responsibility with which we do not have relations are East Germany and Albania.

IMPORTANCE, VARIETY AND COMPLEXITY OF RELATIONS WITH AREA COUNTRIES

The great importance of our relations with the countries of this area, and the extraordinary variety and complexity of these relations, can be best illustrated by the following brief catalog: Our area of responsibility includes the only other superpower; it includes 12 of the 14 nations joined with us in our most important defense alliance; it contains two concentrations of economic power which are the second and third largest in the world; it contains a group of Communist states whose relations with us are in varying and sometimes delicate stages of development; and it includes several neutral countries and Spain, with all of which we have numerous common interests.

PERIOD OF TRANSITION IN FOREIGN POLICY

Our relations with the countries of this geographic area are now going to become even more varied and complex than they were in the past; for as the President emphasized in his foreign policy report to the Congress of February 9, we have entered a period of broad transition in foreign policy. A period of transition is complex above all because some basic elements of policy must remain firm and constant even as others undergo necessary change. For example, we want to move toward better relations with the Soviet Union on as broad a front as possible, but we must simultaneously maintain and improve the alliance defensive power which has provided the stability from which we can now confidently move toward new understandings between East and West. We strongly support the coming enlargement and strengthening of the European Community, but we and the Europeans together must keep in mind that the development of a new relationship between them and us does not alter the constant requirement for equity in our trade and financial relations.

The next 18 months will be an unusually eventful period in our relations with Europe. In May the President will make his visit to Moscow. In the fall, there will be a European Community summit meeting. On the first of January next year the United Kingdom, Ireland, Norway, and Denmark are expected to enter the European Community. And, finally, if the necessary conditions are satisfied, we may by next year be moving toward a conference on security and cooperation in Europe.

A period of transition is by definition a time of uncertainty, and even of risk. But we think we are ready to move into this period in the confidence that—as the President said in his report to the Congress—the winds are blowing from the West. We and our European partners have the initiative and we are not afraid to use it in the search for a more stable and lasting security order between East and West in Europe.

ORGANIZATION OF BUREAU

I would now briefly like to describe the way in which the Bureau of European Affairs organizes itself to carry out its tasks. In my immediate office I have three deputy assistant secretaries, each of whom has both geographic and functional responsibilities. At the next level

are the country directors, who supervise one or more country desks or international organization desks, and our administrative office. In all of our organizational arrangements we put a premium on flexibility of operation.

The basic building block is the country or international organization desk. We combine these as necessary to cope with the continually shifting burden of substantive work, and to meet the constant requirement for economy of operation. We are now making plans for a 9.7-percent cut in the personnel of the bureau, which is to take effect at the end of this fiscal year.

Collaboration with other agencies of the executive branch and with the Congress, and the provision of substantive information and administrative support to our 71 posts abroad, are important parts of our daily work. We deal with the National Security Council and with the other agencies concerned with national security. Given the great importance of our economic and financial relations with Europe, the bureau has equally intensive contact with the economic agencies of the Government. The bureau also fully recognizes the need for close and productive cooperation with the committees and Members of the Senate and House, and foresees that this cooperation will intensify in the period of transition in our European policy which I have described.

BUDGET PROPOSED BY BUREAU

The budget proposed by the Bureau of European Affairs under the major function, "Administration of Foreign Affairs" in the appropriation, salaries and expenses, totals $45,283,600. This amount includes American salaries and all direct operating expenses of the bureau, overseas and domestic. There are 207 domestic and 1,087 overseas American positions included and 1,695 local positions. Overseas we have in this bureau 26 embassies, two missions, 34 consulates general, nine consulates, and six consular agencies.

We can, of course, supply any kind of detail as to satistics and breakdown of the budget that you would require.

Thank you, Mr. Chairman.

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau of European affairs:)

BUREAU OF EUROPEAN AFFAIRS—SUMMARY, DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	1, 287	$22, 829, 691	1, 292	$22, 993, 468	1, 294	$23, 013, 496	+2	+$20, 028
Estimated net cost of permanent American employment (central American salary account)[1]		24, 582, 671		25, 478, 500		25, 458, 200		−20, 300
Operatin expense funds mana ed by this office[2]		16, 856, 300		17, 836, 200		19, 825, 400		+1, 989, 200
Total		41, 438, 971		43, 314, 700		45, 283, 600		+1, 968, 200

Explanation of decrease and increases	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decrease: Extra day's pay		−$193, 000	11		−$79, 200	18
Increases:						
Annualization:					+30, 000	135
New positions in 1972					+639, 400	18
1972 local employee wage increases		+9, 800	11		+219, 000	19
Within-grade salary increases		+146, 700	11		+499, 900	135
Local employee wage increases, 1973					+432, 600	137
Overseas price increases					+247, 200	138
Improved support		+16, 200	13	+7		
Total increases		+172, 700		+7	+2, 068, 400	
Net increase/decrease		−20, 300		+7	+1, 989, 200	

[1] In addition to salary costs includes retirement, health benefits, and life insurance contributions; terminal leave; hardship post differential; and similar costs.

[2] Includes salaries for local positions: 1971–1,668; 1972—1 688; 1973—1,695.

Note: Total positions (Americans and locals): 1971—2,955; 1972—2,890; 1973—2,989.

BUREAU OF EUROPEAN AFFAIRS—FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY

	Americans	Locals	Amount
Austria	41	60	$2,470,590
Belgium	63	64	2,748,769
Bermuda	4	6	251,210
Bulgaria	11	14	454,008
Canada	86	119	3,775,464
Czechoslovakia	14	20	760,794
Denmark	19	29	1,077,645
Finland	18	20	1,137,054
France	132	207	6,646,535
French West Indies	3	5	170,530
Germany	226	267	11,156,673
Hungary	12	28	823,184
Iceland	9	8	431,611
Ireland	13	22	734,138
Italy	109	274	6,502,766
Luxembourg	10	8	365,414
Malta	8	9	285,547
Netherlands	35	58	1,823,662
Norway	22	31	1,117,366
Poland	29	57	1,765,137
Portugal	28	57	1,257,362
Romania	12	13	1,456,342
Spain	45	66	2,306,390
Sweden	25	34	1,274,363
Switzerland	55	57	2,533,514
United Kingdom	93	184	4,971,087
U.S.S.R.	54		2,740,733
Yugoslavia	32	58	6,375,107
Regional			110,059
Cooperation with private institutions			795,000
Total	1,208	1,775	68,318,104

NUMBER OF BUREAU POSTS

The CHAIRMAN. Thank you, Mr. Hillenbrand. You say 70 posts at one point. Is that made up of those numbers at the end of your statement?

Mr. HILLENBRAND. The ones that I gave you at the end. 26 embassies, 2 missions, 34 consulates general, 9 consulates and 6 consular agencies.

UNITED STATES AND EUROPEAN PARTNERS' INITIATIVE

The CHAIRMAN. Before I proceed to more detail, you say in your statement, "We and our European partners have the initiative". What do you mean by that? What initiative to do what do you have?

Mr. HILLENBRAND. I think that if one looks at Europe today and the relations between West and East, particularly in terms of economic growth, but in terms also of the general dynamism of Western Europe, and even that of the United States, if one looks at Eastern Europe in comparison then one can only come to the conclusion that the strength of the West is growing, strength not only in military or political terms but across the board in such a way to enable the West now safely to be able to take initiatives of the kind which are being taken.

The CHAIRMAN. It was not the United States alone to which you were referring. It was the West, including the Common Market and Western Europe. Is that right?

Mr. HILLENBRAND. That is right, we and our allies.

The CHAIRMAN. You did not mean to suggest the United States has any initiative alone?

Mr. HILLENBRAND. I think we are taking a number of initiatives in our bilateral relations with the Eastern Europeans and with the other countries of Europe and then there are other activities where the initiative has been a collective one.

INITIATIVE IN VIEW OF U.S. FINANCIAL SITUATION

The CHAIRMAN. I heard on the radio as I was coming to work that the dollar dropped another 3 cents yesterday versus the pound. Did you hear about that?

Mr. HILLENBRAND. I read about it, yes sir.

The CHAIRMAN. Do you think with our financial situation as it is that we are a great model to the rest of the world and it gives us initiative, an example which should be followed in the conduct of fiscal and political affairs?

Mr. HILLENBRAND. I think that the agreement which was reached late last year at the Smithsonian Institute and the agreements that are presently under negotiation or will be under negotiations in trade and related fields and eventually in the monetary field will provide the necessary framework for the recovery of our international monetary and financial situation. There is also a time lag between the agreement on measures to be taken in the devaluation area and the effect which those measures have on statistics, whether they be balance of payments statistics or money flow statistics or what have you. And that, of course, is a well-known fact.

The British actually did not begin to perceive the effects of their devaluation until a considerable period afterward, but then that effect became very knowable and the British now have a very favorable balance of international accounts. We would hope that the effect of these measures that have been agreed now will also work themselves out over time and that does not mean we must wait indefinitely. I believe that there are currents now flowing which will rectify the imbalances in our international accounts which have grown up over the last decade.

The CHAIRMAN. There are some rather remarkable differences. The British had liquidated practically their empire when they took these measures. We are unwilling to do that. We insist upon maintaining ourselves as far as we can in the war and military fields.

I believe you testified in favor of Radio Free Europe and not only the fiscal but all of the psychological appendages of our empire. I think that we put obstacles in the way of the working of the ordinary economic influences if we persist in policies which lead us into this morass.

Mr. HILLENBRAND. Mr. Chairman, I think——

SERIOUSNESS OF U.S. CONDITION

The CHAIRMAN. I have the feeling that you and the Executive do not really take our condition very seriously. Do you really think we are in serious trouble or is this altogether a passing phase of a great country that is still in a bull market? What is your analysis of our

present condition? Do you consider it a serious difficulty or is it superficial and not very important?

Mr. HILLENBRAND. Well, I think it is fairly obvious from the relatively drastic nature of the core which was sought and agreed on, the devaluation of the dollar or the reevaluation of other currencies upward, that it was a serious case of inbalance on the international scene.

Now, it could be proved statistically that the British case was much worse than ours in terms of GNP, in terms of general economic strength and so on. All of this does not mean that a serious case at this time cannot be rectified by the appropriate measures. I do think that the measures taken by the U.S. Government from a realistic point of view open the prospect that within a foreseeable period of time there will be a real turn around in our international accounts and the flow of trade and so on. We are only at the beginning of that period of turn around at the present time.

Now, I think also it is fair to say, Mr. Chairman, that while it is true the British were in the process over the last 20 years of divesting themselves of their worldwide empire, that does not mean their oversea expenditures were not maintained at a very high level. The British, for example, give more aid abroad per capita than we do in terms of GNP, relative GNP. Moreover, they have maintained a large defense establishment which they have used overseas. They still have a sizable military force in Germany, the British Army of the Rhine, and it would be hard to say that our oversea commitments in terms of our GNP and in terms of our general economic strength are vastly disproportionate to those of a country such as the British.

SIGNIFICANCE OF GNP QUESTIONED

The CHAIRMAN. Mr. Hillenbrand, I am very sorry you keep using GNP as a measure. What do you think the GNP measures? Why do you keep using GNP as of some significance in this connection?

Mr. HILLENBRAND. Well, GNP, and I know, Mr. Chairman, there have been criticisms made recently——

The CHAIRMAN. Very serious ones; yes.

Mr. HILLENBRAND (continuing). Of the GNP as also incorporating statistics which reflect wasteful economic activity. But I do not think the economists have devised a better way of measuring the general development of the economy and the magnitude of the economy than the GNP figure. One can break it down into various categories and, as you know, there is——

The CHAIRMAN. I do not know anyone who thinks it is a very good criteria by which you judge the welfare of a country or its capacity to give aid to a foreign country. It is nothing but what it is. It is a measure, as you say, a bare naked measure of economic activity, including crime, gambling, and all that goes with it, bribery, elections, which has really very little to do with our capacity to give aid to Ethiopia; does it?

The cost of the New Hampshire election, I suppose, increased the GNP enormously, but I do not think it had much influence on our capacity to send aid abroad; do you?

Mr. HILLENBRAND. Obviously not the New Hampshire——

The CHAIRMAN. GNP is a very phony thing and I get very impatient about it. There have been a lot of articles by columnists and others pointing out recently that it is a questionable criteria to put everything up against GNP. It merely is one way of evading the question.

I regret the administration does not take our national and international problems very seriously because that only defers the opportunity to grapple with them and come to some solution. Obviously they are not.

COMPARATIVE PERSONNEL AND COST IN WITNESS' REGION

If I can come more to specifics here, how does the number of people we have here and abroad working on problems relating to your region and the cost of this effort compare with that of other countries, such as the Soviet Union, Germany, Japan, France, and Britain?

Mr. HILLENBRAND. Well, I can't provide you the precise statistics on this, but I know from my own experience that the larger countries of Europe, whether Western or Eastern Europe, in many areas maintain diplomatic and consular establishments that are as large as or even larger than ours. The Soviet Union, for example, has very large diplomatic establishments in practically any country with which it has relations.

We can try to provide more specific data for you, Mr. Chairman, on these things to the degree we have this data.

The CHAIRMAN. Do you have such data?

Mr. HILLENBRAND. Well, obviously in some cases we do not have precise data because on of the characteristics of some of the Eastern European establishments is that their embassies are made up in a way which is different from the way our embassies are staffed.

The CHAIRMAN. How?

Mr. HILLENBRAND. Well, I think they have various categories of employees which are not really found in equivalent fashion in our embassies or the Western European embassies. For example, here if we take Washington, D.C., the Soviets bring all of their own menials along, custodial help and so on, which we, of course, do not. We depend partly on local employees. I need not comment on why they do that. But for that reason the Soviet Embassy, for example, in Washington, is much larger quantitatively than the American Embassy in Moscow.

The CHAIRMAN. Including the local employees?

Mr. HILLENBRAND. Yes, including the local employees.

Obviously this will vary from country to country and, as you know——

The CHAIRMAN. What I was asking you is do you have figures on these various countries in the area of your responsibility?

Mr. HILLENBRAND. I think we can provide some figures. We cannot provide you a complete country-by-country breakdown of the sizes of embassies, but I think we can obtain some figures. If you wish we will try to provide——

The CHAIRMAN. I do not want to know how many servants they have or how many flunkies. What I would like is how many they have of what you would call officials, including clerical, but not the janitors and chauffeurs. Is this not available?

Mr. HILLENBRAND. Well, it is not available except by research. We know what our own figures are and we——

The CHAIRMAN. I assumed in analyzing your own shop you would be curious about how other countries compare with us, but maybe not.

Mr. HILLENBRAND. I would say, Mr. Chairman, as far as the State Department component of a given embassy abroad is concerned, I think that will not compare unfavorably in the sense of being excessively large as in comparison with, say, the British establishment in the same country.

COMPARATIVE NUMBERS OF EMBASSY PERSONNEL

The CHAIRMAN. Mr. Hillenbrand, really I would like to draw that conclusion myself. All I am asking you for is the figures, if you could supply them.

Mr. HILLENBRAND. We will try. We can get diplomatic lists for every post where we have relations. We will have our embassy send the diplomatic list in and from those diplomatic lists we can compile statistics of people who have formal diplomatic status at each of those posts. We cannot go beyond that because we simply have no way of breaking down the additional people assigned to each post.

The CHAIRMAN. Yesterday the Secretary of State testified that the strictly State Department employees in the embassies abroad were about 16 percent. Is that true?

Mr. HILLENBRAND. That is roughly the figure, yes. It might vary from area to area somewhat but that is an overall figure.

The CHAIRMAN. Are you saying, and it seems quite reasonable to me if you are, that in other countries they do not break it down like we do, that all of those people, the USIA, AID and Agriculture, and the Veterans and the FBI, would all be included in the same diplomatic list? But that being so, it would enable us to draw some conclusions if you could give us the basic figures of that we have and that the other countries have in the area which we are talking about.

Mr. HILLENBRAND. Well, we will try our best to give you what statistics we can call from diplomatic lists and so on but we will have to append certain cautionary statements about what these figures mean.

OTHER AGENCIES' PERSONNEL AND COST IN WITNESS' REGION

The CHAIRMAN. All we are really getting at now is to start a process of trying to understand how we operate and how we compare to other activities of a similar nature in these areas. In that connection would you supply how many people other government agencies have here and abroad who work on problems relating to your region. For example, supply an agency by agency breakdown along with the estimated annual cost for each agency. This is these other agencies. I assume you do not have that available from what you said, but you could supply that for the record; could you not?

Mr. HILLENBRAND. We will supply that, Mr. Chairman.

BALANCE OF PAYMENTS IMPACT OF U.S. PERSONNEL IN REGION

The CHAIRMAN. Would you estimate the adverse impact on our balance of payments from U.S. personnel stationed in your region?

Mr. HILLENBRAND. We can supply a broad figure for that, yes, Mr. Chairman.

AMBASSADORS' VIEWS ABOUT REDUCED OR INCREASED PERSONNEL

The CHAIRMAN. Do you have any views as to the average United States Ambassador's view about whether or not the U.S. personnel assigned to his mission should be reduced or increased?

Mr. HILLENBRAND. Well, we have the experience of three successive programs of reduction which have been carried out over the past five or six years. The so-called BALPA balance of payment reductions, one and two, and then the Operation Reduction, which led I think, depending again on the specific area, to overall reductions of personnel between 20 and 25 percent, combining these various cuts.

I think that most Ambassadors, and we have discussed this at the European Chief of Missions meeting which we had in Paris last December, feel that they are pretty well down to raw meat and that any fat which might have existed in the past has now been eliminated. This is a generaliztion that they would make, but obviously there may be some exceptions relating to other agencies. But generally speaking I think the foreign establishment of the United States now in all of its components is a much tauter and leaner operation than it was say five or six years ago as a result of these reductions.

NUMBER OF PERSONNEL IN PRC FOREIGN OFFICE

The CHAIRMAN. I do not know whether I mentioned it yesterday. I read recently in the Atlantic Monthly magazine an article which said that the foreign office of the People's Republic of China consists of approximately 1,000 people. Did you read that?

Mr. HILLENBRAND. I did not, Mr. Chairman.

The CHAIRMAN. Do you know?

Mr. HILLENBRAND. I do not really know the figure.

The CHAIRMAN. I think it was an article by Ross Terrill, who says that is the approximate personnel of what we would call the State Department. It is right interesting; isn't it?

Mr. HILLENBRAND. Well——

The CHAIRMAN. I thought you might be interested if you had not read that.

OTHER AGENCIES' CONSULTATION WITH AMBASSADOR BEFORE SENDING PERSONNEL

Is the Ambassador consulted by other agencies before they send out their personnel?

Mr. HILLENBRAND. Well, obviously not for every category of personnel but for the leading members of any agency representation abroad there usually is consultation with the Ambassador.

The CHAIRMAN. Does he have a veto power? Can he say I do not need so and so in this embassy?

Mr. HILLENBRAND. I think if an Ambassador felt so strongly about a given individual that——

The CHAIRMAN. I did not mean on a personal basis. I meant that he would say we do not have any need for an FBI agent here or we do not need a representative of the Agricultural Department. Does he have any such power?

Mr. HILLENBRAND. Well, he cannot automatically eliminate a function abroad, but what he can do is certainly raise a question as to whether it is necessary or not for consideration back here.

The CHAIRMAN. I did not mean the personal part, a certain Mr. Jones is objectionable. I meant purely as an institutional matter.

Mr. HILLENBRAND. He has the discretion to question any given operation in his country.

DECISION ON SIZE OF EMBASSY STAFFING

The CHAIRMAN. Who does make the decision on size of the staffing of our embassies?

Mr. HILLENBRAND. These staffing patterns have developed over many years. Decisions as to the cuts I referred to are made back in Washington. That is the size of the cut. And then the field was given a great deal of latitude as to where the cuts should be specifically applied. What has evolved out of this is a staffing pattern which is now accepted by both Washington and the field.

The CHAIRMAN. For example, if you thought the embassy altogether too large in country X, could you say I think we ought to eliminate a few of these. Do you have that authority?

Mr. HILLENBRAND. Not in any arbitrary sense. We have, as you know, Mr. Chairman, frequent inspections of posts by our Corps of Foreign Services inspectors. They will recommend in their inspection report either increasing or decreasing of personnel on the basis of what they find. We have had a case in our own area very recently where cuts were recommended, which are now in the process of being carried out. But I do not have the authority simply to sign a telegram to the Ambassador saying you must cut three people here. This is a bureaucratic process which goes through the portions of the Department that deal with personnel and the staffing patterns of posts.

REPORTED EXCESS CLASS 1 OFFICERS AND AMBASSADORS IN WASHINGTON

The CHAIRMAN. I keep seeing reports in the papers about there being excess Class 1 officers and excess Ambassadors in Washington. Are they true or not? What is your observation?

Mr. HILLENBRAND. Well, the various reports that have been issued by the Department, including the report for which Mr. Macomber here has been the inspiration, Management of our Foreign Affairs for the 1970's, have pointed to certain imbalances in the personnel pyramid. This is a well-known fact. I think if the Department measures are being taken to the degree that this can be done consistent with the personnel policies that are written into law to rectify over time this imbalance in the structure of the foreign service. On the other hand, these cuts abroad that have been imposed obviously also have created certain problems because they result in more people having to come

back to Washington, but I think, perhaps, someone who deals with this problem not from a bureau point of view but from the point of view of the whole Department could speak better to the point you have raised, Mr. Chairman.

AUTHORITY TO APPROVE OR DISAPPROVE AID PROGRAMS

The CHAIRMAN. Do you have authority to approve or disapprove AID programs for countries in your region?

Mr. HILLENBRAND. Well, as you know, Mr. Chairman, there are very few AID programs in the European area.

The CHAIRMAN. I know there are very few. I am only trying to get the structure.

Do you as the Secretary for this region have such authority?

Mr. HILLENBRAND. Well, we do not have the authority simply to say there will be no further AID program in such and such a country.

The CHAIRMAN. Could you say this particular one does not appeal to me and I veto it? All I am trying to get is whether you have such authority.

Mr. HILLENBRAND. I do not have the authority to veto something as such, but I have the authority to question. If I feel a program in a given country is wasteful and not required, I can question this program and raise it as a problem for decision within the various agencies that have an interest in this matter.

The CHAIRMAN. Does anybody at State? Really I am trying to get relationship between AID and State as far as authority.

Mr. HILLENBRAND. The Secretary of State is Dr. Hannah's superior within the hierarchy. The AID administration does come within the State Department in a sense that the Secretary is over the Administrator.

The CHAIRMAN. You being in the line of chain of command with regard to those countries in your area, if you saw an AID program that you did not think was worthy, could you say I do not approve it and recommend that to the Secretary and he could stop it?

Mr. HILLENBRAND. He would have the authority and I could make such a recommendation.

The CHAIRMAN. That is what I want to know. Have you ever questioned such an AID program in your district?

Mr. HILLENBRAND. Since I have been in this particular position I have not had occasion to question any, but as I said, Mr. Chairman, there are very few programs in the European area.

APPROVAL OF MILITARY AID AND SALES PROGRAMS

The CHAIRMAN. Do you approve all military aid and sales programs for countries within your region?

Mr. HILLENBRAND. We have again the capacity to question any programs which we find objectionable or wasteful, but I do not have the authority as such to do more than to make recommendations.

The CHAIRMAN. Have you ever recommended against a proposed military aid or military sales program in any of the countries under your jurisdiction?

Mr. HILLENBRAND. I think I have been involved in discussion occasionally of what the components of programs should be and a question has arisen in certain cases and we have said these particular items should not be sent.

The CHAIRMAN. If they say well we disagree with you, what happens? Do they prevail or do you prevail?

Mr. HILLENBRAND. Well, I think the normal basis on which we would raise an objection would be that this has political significance one way or the other and, therefore, we would presumably be upheld by the Secretary and supported by the Secretary in any interagency discussions of this matter, but we do not in the bureau itself have the primary responsibility for objecting or for approving such military sales program. We do have a voice in the capacity to make recommendations because we are part of a group that would participate in the final decisions on these matters.

PASSING ON PEACE CORPS PROGRAMS

The CHAIRMAN. Do you pass on Peace Corps programs for countries within your region?

Mr. HILLENBRAND. Well, we do not have any.

The CHAIRMAN. You do not have any?

Mr. HILLENBRAND. That is right.

PUBLIC LAW 480 SALES

The CHAIRMAN. Do you have any PL 480 sales in your region?

Mr. HILLENBRAND. 480?

The CHAIRMAN. PL 480 sales.

Mr. HILLENBRAND. Yes, we do.

The CHAIRMAN. Of agricultural products?

PEACE CORPS MEMBERS IN MALTA

Mr. HILLENBRAND. Let me make one correction, Mr. Chairman. We have, I am told, six Peace Corps members in Malta. This is our only Peace Corps program at the present time.

AUTHORITY OVER PEACE CORPS PROGRAMS

The CHAIRMAN. Do you pass on the program? In other words, do you have the right to say, "I do not think Malta needs any Peace Corps. That is a very peaceful country. We do not need them there." Do you have that right at all?

Mr. HILLENBRAND. We certainly have the right to object if that were proposed, although I must say since this is not a problem of major importance for the European area——

The CHAIRMAN. I am sure it is not. You happen to be here and I am going to ask the others. I am trying to get at the pattern of——

Mr. HILLENBRAND. I think if we felt——

The CHAIRMAN. Of authority and the role that the State Department plays. There is a general feeling the role of the State Department has been a bit watered down by the intrusion of all of these other

agencies. All I am trying to see is whether there is any truth to it or not.

Mr. HILLENBRAND. I think, Mr. Chairman, if we decided that it were unwise to have a Peace Corps program in a country for which I had responsibility, I could make that point of view effective through——

The CHAIRMAN. Who would decide?

Mr. HILLENBRAND. Secretary of State.

The CHAIRMAN. Senator Sparkman?

Senator SPARKMAN. I think you have done a very thorough job.

The CHAIRMAN. I have a lot more but I will come back to him. I want you all to have an opportunity to intervene, if you like.

WOULD WITNESS MAINTAIN PERSONNEL LEVELS?

Senator SPARKMAN. I shall be brief. I have been interested in looking over this list of personnel, both American and local, and the amount involved in each of the countries under your jurisdiction.

I realize that you probably inherited most of these at somewhat the same levels that they exist now. If you were just starting from scratch would you maintain these same levels or could there be some reductions?

Mr. HILLENBRAND. Well, as I indicated, we have made over the last five or six years considerable reductions in the magnitude of 20 to 25 percent under these three reduction programs. I can give you the exact figures for the State Department reductions that have been made within the European area.

We abolished under the balance of payments reduction program one, which covered fiscal years 1968 and 1969, a total of 83 American positions, State Department in Europe. Under the second of these reduction programs, which covered fiscal years 1969 and 1970, we reduced a further 43 American positions, State Department positions. Then under the third, the one that came into effect in fiscal year 1970, the so-called OPRAD reductions, we reduced a further 82 State Department American positions and commensurate reductions of local employees were likewise made.

Now, other agencies to made either similar or commensurate cuts, although because of the ability sometimes to juggle between various areas these cuts did not always apply in each given region in the same proportion, but, nevertheless, this has been a government-wide program which I think has sizably reduced the American foreign establishment over the last five or six years.

REDUCTIONS BY OTHER AGENCIES

Senator SPARKMAN. What about other agencies that are functioning in your area? Have they had reductions also somewhat along the same line that the State Department has?

Mr. HILLENBRAND. These programs applied to these other agencies but, of course, as I indicated, the actual percentage of reductions by each agency in any given area was conditioned by the fact that these programs were worldwide and they were able to sometimes adjust one area against the other, but cuts were taken by other agencies as well. There were certain exemptions, but these were exemptions of a rather minor nature.

IS OPERATION AT PROPER SIZE NOW?

Senator SPARKMAN. Do you feel that as a result of those three successive reductions that it has been pretty well set to size? In other words, do you feel it is about right now or will there be other reductions as you move along?

Mr. HILLENBRAND. Well, I reported the general feeling of our Ambassadors at the meeting last December as evidence. I think I share their feeling that we are down to rock bottom now and that anything beyond our present levels would result necessarily in elimination of functions which we think are necessary and desirable functions.

Senator SPARKMAN. In other words, you think that it is operating at proper size now?

Mr. HILLENBRAND. I think we are down to about maybe even too thin a size at the present time in certain categories. For example, in the consular category, because of the increasing number of American tourists and the increasing numbers of young Americans who tend to get arrested, there has been a heavy strain on our personnel resources in some European countries at the present time.

Senator SPARKMAN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Aiken?

PERSISTENCE IN CLASSIFYING CANADA AS WESTERN EUROPEAN

Senator AIKEN. Why do we persist in classifying Canada as Western European? I do not think they feel that way too strongly right now.

Mr. HILLENBRAND. Mr. Senator, this is a question that we have discussed ourselves. Canada has historically been a part of the Bureau of European Affairs dating back to the old British Commonwealth days. Given the present organization of the State Department, the five regional bureaus, we have continued to think that all things considered it is still better to have Canada in the European Bureau rather than put it in any other bureau because the Canadians do not consider themselves, for example, a part of Latin America and they would object to being bracketed in any way or being completely submerged in the bureau that dealt with this area of the world. This is not a value judgment but simply a fact so that for the present at least we feel that Canadian affairs can best be dealt with in this way. I think the Canadians are not complaining that their country is getting short shrifted in terms of the manpower and the time that is devoted to Canadian affairs by the Bureau of European Affairs.

SEPARATE BUREAU OF CANADIAN AFFAIRS SUGGESTED

Senator AIKEN. But since Canada is a country with which we do far and away the most business year in and year out, more than we do some entire areas in other parts of the world, what would be wrong with a separate bureau for Canadian affairs? It is very important. Canada and Mexico are extremely important and Canada has the same problem with Western Europe that we have here in the United States. In fact right now I think they are altogether more apprehensive of Western Europe than they ever would be dealing with us.

All I know is what the Canadians told me, more or less.

Mr. HILLENBRAND. In the Bureau, I might say, we do have a special one country office that deals only with Canadian affairs. It is well staffed by experts on Canadian affairs. There are certain technical advantages to having Canadian affairs dealt with in a larger bureau because we have the budget and administrative and personnel flexibility to make necessary adjustments which a one country bureau would not have. It would have a rather thin budget. We can transfer funds in emergencies from one purpose to another. We have considered this, I might say, a number of times over the last decade and on balance still think that the present system, all things considered, is the best for the time being at least.

EXPECTED FOREIGN CURRENCY PURCHASES TO SUPPORT U.S. OPERATIONS

Senator AIKEN. Getting back to Western Europe, how much is it expected that we will spend to buy foreign currency on the market to support U.S. operations in the Western European area next year? Also, how much of that will be used by the State Department?

Mr. HILLENBRAND. Well, we can give you a rough guess. Of course, it is obviously impossible to make a completely accurate statistical breakdown.

Senator AIKEN. I do not expect that.

Mr. HILLENBRAND. We can give you a rough figure for estimated State Department expenditures in local currencies and we, of course, can provide the figures for other agencies as well. With your permission I will try to get these figures for you.

(The information referred to follows:)

ESTIMATED STATE DEPARTMENT EXPENDITURE IN LOCAL CURRENCIES, WESTERN EUROPE

(Supplied by Department of State)

The estimated State Department expenditure in local currencies in support of the European area's budget for FY–1973 is $17,700,000.

I might say that obviously we know that devaluation is going to have, particularly in the European area, a considerable effect on our expenditure level. We calculate that above the figures that we have presented in this budget, which was drawn up before the Smithsonian Agreement, we will have for the present fiscal year an additional expenditure of about $1,200,000 purely due to devaluation and we analyze this for the next fiscal year to come out at somewhere around $2,000,000.

Senator AIKEN. That is about 8 percent devaluation?

Mr. HILLENBRAND. Well, it varies from country to country and also varies in terms of the size of our activities and establishment in each country; so you can't apply a general figure across the board that way. But this is our best estimate as to how much additional money we will need to meet the effects of devaluation in the European area.

Now as for other agencies, of course, we do not have those figures at hand now but we can try to get some of them for you, if you wish.

Senator AIKEN. Twelve million dollars for State Department as a whole. It would be many times that for other departments of government in the aggregate; wouldn't it?

Mr. HILLENBRAND. Well, no, because the State Department, as the Secretary said, is less than 20 percent overall of the total number of American employees assigned abroad in a civilian capacity.

In Europe, that percentage may vary a little from post to post, but obviously, since we provide a number of administrative support services which cover all government agencies, it is very hard to distinguish in a clear cut way between State expenditures and other agency expenditure. These are things again that perhaps the central administration of the Department could better address than I could.

Senator AIKEN. The greater part of it would be used for the Defense Department; wouldn't it?

Mr. HILLENBRAND. Well, of course, the military establishment abroad is a separate category. We do have figures, of course, which are fairly well combed in this area because of the offset agreement which we have negotiated in the German Federal Public where these figures have played an important role in determining the level of the amount we are to get from——

CARRY OVER OF U.S.-OWNED FOREIGN CURRENCY

Senator AIKEN. How much owned foreign currency do we have already available for use next year?

Mr. HILLENBRAND. You mean excess foreign currency in such countries as Yugoslavia and Poland? We do not have many such reserves of excess currencies which have accumulated out of American programs in the past, but we can provide these figures for you.

Senator AIKEN. I think we already have those available.

Mr. HILLENBRAND. Well——

Senator AIKEN. I was wondering how much U.S. owned foreign currency we now have available for use next year, say, in the Western European area?

Mr. HILLENBRAND. Well, in terms of——

Senator AIKEN. Carry over, I guess you might call it.

Mr. HILLENBRAND. This would depend—our embassies do not normally have large cash reserves. Their disbursements are pretty much on an as needed basis and there were no large cash reserves at the time of the devaluation which the embassies had amassed in terms of local currency. That is one aspect of the question.

Another aspect, of course, is the question of accumulated local currencies, dinars and zloties and so on. I understand which we have in Poland and Yugoslavia, I understand that the authority is lacking for the State Department to use these currencies in both Poland and Yugoslavia, but certain other agencies of the U.S. Government are able to use these currencies for various purposes. This is merely a practice which has developed.

Senator AIKEN. We do not have much in Yugoslavia. We have many more Polish zloties.

Mr. HILLENBRAND. I can give you the figures here. In Poland we have a total equivalent of $403,000,000 in zloties and Yugoslavia the equivalent of $42 million in dinars. These are the only two countries in the European area which have——

PAYMENT RECORD OF POLAND AND YUGOSLAVIA

Senator AIKEN. Am I correct in understanding that although these countries are indebted to us and have been extended a long time credit, that as their payments come due Poland and Yugoslavia meet their payments approximately on time, in contrast to some other parts of the world?

Mr. HILLENBRAND. I think they have a pretty good record of meeting their annual installments due. Of course, as you know, a proportion of these funds can be used for certain American government expenditures, although, as I pointed out, other than for building purposes the State Department cannot draw on these local currencies in Yugoslavia and Poland to meet normal operations expenses. Only our building program benefits from these local currencies.

POLISH AGRICULTURAL RESEARCH FOR UNITED STATES

Senator AIKEN. Is Poland still doing considerable agricultural research work for us now? They were at one time and I understand they were doing excellent work.

Mr. HILLENBRAND. I think there are some continuing programs in this field.

Senator AIKEN. That is in contrast to some of the Asian countries where we do not expect payment. I believe we should give credit where credit is due, that is all.

The CHAIRMAN. Senator Church?

Senator CHURCH. Thank you, Mr. Chairman.

IMPROVEMENTS UNDERTAKEN BY NATO ALLIES

Mr. Secretary, yesterday the Secretary of State furnished the Committee with a book, "United States Foreign Policy, 1971." In looking through the European chapter of that report, mention is made of "some relaxation of international tensions" and "domestic tendencies toward economizing on defense."

It says that despite these two developments, "our allies took the initiative prior to the December 1971 meeting of the North Atlantic Council to announce publicly an encouraging list of force improvements and defense allocations. They revealed plans to bring into service the following military hardware by the end of 1972:

"1,100 main battle tanks.

"1,600 major army vehicles.

"20 destroyers and submarine type ships.

"400 combat aircraft.

"250 helicopters and transport aircraft.

"The above is in addition to the NATO program to reduce aircraft vulnerability and expand communications facilities. Firm decisions have also been made for even more improvements, which will enter into force in subsequent years."

These improvements, as you put it in this report, have been taken by our NATO allies at the urging of the United States; have they not?

Mr. HILLENBRAND. They were not only taken because we thought they were a good idea. I think that they have arisen out of an apprecia-

tion of certain military realities in Europe—including the fact that the forces of the Soviet Union and their Warsaw Pact allies continue to be improved, continue to be maintained at a very high level of effectiveness with new weaponry being introduced as it is developed. It was the judgment of the NATO organization and particularly of the so-called EURO group within NATO, the caucus, if you will of the European members of NATO, that these additional force improvements were required to maintain the equilibrium between the NATO and Warsaw Pact which has been the basis of peace in Europe for the last quarter of a century.

Senator CHURCH. Aside from that conclusion, let's get back to the question of additional armaments on the West and in the East. I will put the question this way: These additions were made with the approval of the United States?

Mr. HILLENBRAND. We are part of the military structure of NATO through which——

Senator CHURCH. Were they made with the approval of the United States?

Mr. HILLENBRAND. Certainly.

Senator CHURCH. That is the answer, certainly.

ADDITIONAL ARMAMENT BY UNITED STATES

What have we added on our part in the way of additional armament during this same period? Can you supply us with that?

Mr. HILLENBRAND. We can supply you with this, yes.

(The information referred to follows:)

ADDITIONAL U.S. ARMAMENT TO NATO, 1970–72

(Supplied by Department of State)

The TOW anti-tank guided missile is being introduced in significant numbers and our program to replace gasoline-drive armored personnel carriers with new and improved diesel models is nearing completion. We have almost completed modernization of the helicopter fleet and are equipping Army aviation units with new transports. We will soon complete conversion of F–100 aircraft to F–111 and F–4 aircraft and we should finish our shelter program this year with over 400 aircraft shelters. The tactical aircraft wing in Spain has been given its full complement of 72 F–4 aircraft. Improved maritime patrol aircraft (P–3C) have replaced less effective P–3 aircraft. The light attack force (A–7) has replaced the A–4 aircraft and the EA–6B was introduced in 1971 in the 6th Fleet.

ADDITIONAL ARMAMENT OF SOVIET UNION AND WARSAW PACT

Senator CHURCH. And can you also supply us with the additional armament that the Soviet Union and members of the Warsaw Pact have added on their side?

Mr. HILLENBRAND. I think we can supply that. Some of it may be sensitive information, but I think we can give it to the committee in such form so to enable useful comparison to be made.

Senator CHURCH. Yes. It would be important for the committee to have.

(The information referred to follows:)

ADDITIONAL ARMAMENT BY SOVIET UNION AND WARSAW PACT

(Supplied by Department of State)

Except for a rather aggressive ship building program, the increases on the other side have been qualitative. In 1970, for example, the Warsaw Pact added 27 attack submarines and destroyer class ships, and their shipbuilding program shows no signs of abating. The Soviets began to deploy the new Foxbat and Flogger aircraft as replacements for older aircraft while the other Warsaw Pact members increased the percentage of their air forces equipped with the Fishbed (MIG–21), apparently retiring older model aircraft. Soviet naval activity was sharply increased in the Mediterranean Sea and the North Atlantic Ocean areas, and have shown the capability to sustain their naval forces in those areas, particularly in the Mediterranean where they are able to utilize Egyptian ports. Two new Soviet tanks are in production. There is evidence of substantial expansion of Soviet artillery and surface-to-surface conventional rocket forces in Pact ground forces as part of the improvement program for Warsaw Pact conventional capability.

CONSULTATION CONCERNING MUTUAL REDUCTION IN FORCES

During this same period, there has been talk and there has been some consultation among the NATO allies on the question of a mutual reduction in force on both sides of the Iron Curtain. Could you give us a resumé of the present status of that? There was some earlier indication on the part of the Soviet Union that they were willing to enter into talks. There was, I think, an understanding reached that Mr. Brosio would go to Moscow. It says in the report that the Russians have not yet agreed to receive him.

I would like to be brought up to date on the present activities in connection with the possibility of achieving some agreement on mutual reduction in forces.

Mr. HILLENBRAND. The Brosio mission which was proposed by the NATO organization last October after the meeting of the Deputy Foreign Ministers, attended on the U.S. side by Undersecretary Irwin, was not responded to as positively as at one time we thought it was going to be. The NATO Ministers, the Foreign Ministers, when they met in December in Brussels expressed their regrets that up to that point the Brosio willingness to go to Moscow and to other Eastern European countries had not met with a specific and positive response. The situation as far as the Brosio mission is concerned is that up to now it has not met with a specific invitation to go to Moscow or to any other Eastern European country although the offer which NATO made to send Mr. Brosio remains open and will be reaffirmed by any member of NATO to the Eastern side if they ask, in fact even without asking.

The internal preparations in the alliance for the eventuality of talks on mutual and balanced force reductions are going ahead on an intensified basis as they are within the U.S. Government. A great deal of work and a great deal of analysis has been devoted to this subject and I think the alliance is more ready now than it would have been six months ago to enter such talks if the other side is willing.

Now, it is true, as you remarked, that there were some indications last spring, notably at the Soviet Party Congress, and then subsequently in statements made by Soviet leaders in the Crimea, that they had decided they were interested in this subject, and I must say the

signals that come to us at various levels even today are not entirely without their ambiguities. However, this is a subject which NATO wishes to pursue. It will generally be discussed when the foreign ministers meet in Bonn this time on May 30 and 31 and I am sure will be a subject which will come up during the President's trip to Moscow even though it has already been made clear that he will not be negotiating on behalf of the Alliance on this subject but will be merely exploring, as have other members of NATO, exploring the Eastern willingness to pursue this subject in a meaningful way.

I think that is the status of the thing and this work is still going on. There are a large number of people in the Defense Department and some in the State Department and elsewhere who are working intensively in refining our whole approach. We put that in NATO where the Alliance then attempts to refine a position which it might take when and if such negotiations actually begin.

Senator CHURCH. Do you regard this as a serious and purposeful undertaking on the part of NATO allies?

Mr. HILLENBRAND. Certainly, on our side. When I say our side. I mean the NATO side. This is a serious and purposeful undertaking.

Senator CHURCH. Do you anticipate that it may develop in the coming year that serious talks will be launched?

Mr. HILLENBRAND. I certainly would not exclude this possibility. We will continue and I am sure NATO will continue, if not earlier than, certainly at the time of the Foreign Ministers meeting in late May to attempt to send another signal to the Eastern side of willingness and readiness to undertake such discussions.

It is not entirely clear, I might say, why the other side has responded in such an ambiguous fashion, at one point indicating great interest and at another point very little interest, but it may well be that the time will come when they will be readier than they seem to be at the present time. When I say that it could be this year, I do not mean in the far distant future.

U.S. CONTRIBUTION TO NATO

Senator CHURCH. Have you furnished the committee, as part of your testimony, the present size of the American forces in Europe, that is, the American contribution to NATO?

Mr. HILLENBRAND. Well it is not in the material we have submitted, but we can easily provide it.

Senator CHURCH. Please submit that. Would you also submit the total annual cost for maintenance of those forces?

Mr. HILLENBRAND. We can submit that.

Senator CHURCH. Also, would you submit the gold drain cost to the United States connected with the whole effort.

Mr. HILLENBRAND. We can give you any figure of that kind you wish.

SIZE, COST AND GOLD DRAIN OF U.S. CONTRIBUTION TO NATO

(Supplied by Department of State)

As of the end of September 1971, there were about 310,000 US military personnel actually in place in the European area which includes the Mediterranean basin, forces afloat in the Mediterranean and personnel in the Middle East, North Africa, Greenland, Iceland and the Azores. By service, there were about

195,000 Army, 70,000 Air Force, and 45,000 Navy/Marines, including the 6th Fleet in the Mediterranean. The authorized strength for CY 1972 is 319,000 total.

The operating cost of all forces in the European area is about $3.1 billion annually. This figure represents military personnel costs, including pay and allowances, and costs for operating and maintaining the facilities used by these personnel. If a proportionate share of the entire US support base is added, the total cost of the US forces in Europe would be about $7–8 billion annually.

The US defense gross foreign exchange expenditure in NATO Europe is approximately $2.0 billion annually less $1.05 billion in annual offsets, including defense cash receipts from NATO countries and financial agreements with the Federal Republic of Germany.

HAVE THERE BEEN REDUCTIONS IN U.S. EUROPEAN MILITARY FORCE?

Senator CHURCH. One further question. Since this administration took office, have there been any reductions in the military force of the United States in Europe?

Mr. HILLENBRAND. Well, there have been certain adjustments which have been made.

Senator CHURCH. Have there been reductions?

Mr. HILLENBRAND. Well, it is hard to speak in terms of reductions as such. There have been certain improvements some of which resulted in reductions, consolidations.

Senator CHURCH. All right, then let me put it this way.

Mr. HILLENBRAND. I can provide you with figures which would show the difference in the makeup of our forces now as compared with the time——

U.S. ARMED FORCES SINCE ADMINISTRATION TOOK OFFICE

Senator CHURCH. Could you tell me whether the total number of American Armed Forces personnel has been reduced since this administration took office or has it been increased since that administration took office, or is it the same as when this administration took office?

Mr. HILLENBRAND. I think it is somewhat smaller now but we will provide you with the exact figures. One of the things, I think, that is true is that during the period of the intense fighting in Vietnam there were certain movements of qualified personnel to Asia who had been pulled out of the European theater. Some of these are now going back. This was a qualitative movement. One cannot measure these things purely in terms of quantity and now we are in the process of refurbishing some of the qualitatively depleted portions of the military establishment in Germany but I think all of these things become clear if we put them into statistics.

Senator CHURCH. Please give us a full report on that so that we can get some idea of what the trend has been.

Mr. HILLENBRAND. We will be glad to do that.

Senator CHURCH. Thank you.

(The information referred to follows:)

ADJUSTMENTS OF U.S. FORCES IN EUROPE SINCE ADMINISTRATION TOOK OFFICE

(Supplied by Department of State)

There have been no reductions in combat forces in Europe; however, there have been some adjustments in total numbers of personnel. In 1968–1969, as part of

REDCOSTE and Project 703, 11,000 troop spaces were eliminated, and in 1970, an additional 2,600 spaces were cut. By and large, there were reductions in the support areas and headquarters. The historical trend has been a general decrease in US forces in place in Europe from a peak of 434,000 reached during the Berlin crisis to the present level of 310,000 in place. The last withdrawal of significant combat forces took place in 1968 when two-thirds of a division and four tactical fighter squadrons were dual-based in the US. Air and Naval elements have fluctuated throughout the past ten years; however, these changes have not impacted greatly on the total strength figures.

Senator CASE. On the question of U.S. troops in Europe, as you know, I have not been one who voted to reduce them immediately.

STATEMENT OF DESIRABILITY OF U.S. TROOPS IN EUROPE REQUESTED

In connection with the information which Senator Church has asked for, which we should surely have, would it not be good to have, in addition to the statistical information, some kind of statement from the State Department or Defense Department to the desirability of having troops in Europe? I would guess the Administration could present good reasons for the permanent stationing of troops in Europe where they are most likely to be used. I would like to know how much more the troops cost in Europe than in the United States. I know there is some loss of foreign exchange. I think this information ought to be put in the record.

COMPARATIVE U.S. FORCE REDUCTIONS

I am sure Senator Church and all of us want the full history of the question of reduction of troops in Europe, whatever the facts are. It would be useful to compare in the record reductions in Europe with the total reductions of all U.S. forces.

(As of the date of publication the information had not been supplied.)

The major reduction would be those, of course, involved in the Pacific and South East Asia. I think this ought to be part of the picture.

I have no further questions.

Senator AIKEN. I may answer his question on total reduction of military strength.

Senator CASE. I think we ought to have him take the oath.

Senator AIKEN. It has been approximately a million men. I do not like bringing politics into this. The numbers have been reduced by about a million men since the present Administration took office and there has been a reduction altogether of over 600,000 from the Pacific area. I realize there has not been much, but there has been a little reduction, I believe, in the European area. I understand no increases are contemplated either in the Mediterranean area, but I do think it is rather remarkable in three years time there has been a total withdrawal of our troops in other countries amounting to slightly over 600,000. That is a lot of troops and it is a lot of expense too to keep them overseas.

Senator CASE. I want to thank the Senator from Vermont for his testimony.

Senator AIKEN. That is my specialty.

HANDLING OF CANADIAN AFFAIRS IN STATE DEPARTMENT

Senator SPONG. Thank you, Mr. Chairman. Mr. Hillenbrand, I want to return to the Senator from Vermont's first question to you. I will preface my question by saying I see no logic to Canada's remaining in the European Bureau. I regretfully have concluded that the State Department is more concerned with tables of organization and with structure than with substantive foreign policy regarding our future relationships with Canada. It is much more than a question of where we put Canada if we take it out of the European Bureau. The fact is, as Senator Aiken pointed out, we do more trade with Canada than with any other nation, we have a continuing mutual security concern with them, and, most importantly, they are extremely sensitive about our relationship—to a degree beyond the comprehension of many here in Washington.

From your answer to Senator Aiken I gather that the possibility of creating an assistant secretary for Canada has from time to time been under review, but that no action is contemplated in the near future to change the present situation. Did you mean to imply that in your answer?

Mr. HILLENBRAND. Well, I meant to say this matter has been under not continuous but certainly frequent review and each time we go through this exercise we come up with the conclusion that there is no overriding reason for changing the way Canadian affairs are being handled in the State Department. That does not mean we cannot improve the way they are being handled. I think we have a very able group of officers who are devoting full time to the Canadian affairs and I might say that I am surprised to hear, if I heard you correctly, that the Canadians are themselves sensitive about the way Canadian affairs are being handled in the State Department. I discussed this with Canadian officers on a number of occasions and they have never expressed any sensitivity or dissatisfaction.

CANADIAN SENSITIVITY CONCERNING STATE DEPARTMENT STRUCTURE

Senator SPONG. There has been a very fine study on Canada completed at the Johns Hopkins University School of Advanced International Studies here in Washington. There is an article by a Canadian writer, which I put in the Congressional Record a month or so ago. I will send it to you. In the article a Canadian official describes his difficulties in finding the Canadian desk in the State Department and makes some observations that I thought betrayed great sensitivity.

I have been to Canada five times in the last five years and I do not pose the State Department structure to you as a great matter with them except that it is symptomatic of our general approach which places them in a category where they were when they were a colonial dominion. I think we have to look at it from their point of view.

Also, if there is no present renewed interest in a structural change, I think you ought to let our Ambassador in Canada know about this. I have a letter from him here, dated February 25, in which he says that interest expressed here in Washington has stimulated renewed study and active consideration for a better organization of Canadian affairs within the Department. That could mean a number of things.

But evidently he is looking to some change for the better within the State Department now.

I have talked with American businessmen who are in Canada who are also aware of Canadian sensitivity. Therefore, I take this opportunity to try to impress upon you that I do believe the Canadians are very concerned about this. I think a structural change in the State Department is a very easy thing for us to give some consideration to and it is important because we not only have this trade with them but also they remain a great source of energy for us in the future and in terms of size and proximity we should be set up within the Department to be more attentive to them than it may appear to them that we are.

NEED FOR PRESENT NUMBER OF EMPLOYEES IN SPAIN

Next I would like to ask you about Spain. We have in civilian agencies overseas, which are under the jurisdiction of diplomatic mission chiefs, approximately 831 employees. Six hundred of them are foreign nationals and 231 United States citizens.

Could you or would you comment on the need for that many employees in Spain at this time?

Mr. HILLENBRAND. I think if you look at the breakdown of that total that you have given one notes that of the 231, of the total, 66 are State Department Americans and 103 of the foreign nationals are State Department.

Now the bulk of the figure you quoted is actually made up of NASA employees who operate two tracking stations and communication units in Spain. I think one is in the Canary Islands, but it is in the same statistical base. Of those, 137 are Americans and 445 are locals. So you will see that is a highly significant proportion of the totals that you cited.

Now, I have no judgment as to whether that number is required by NASA to operate these tracking stations. We have to assume that there is good faith on the part of NASA here and we would not question that particular type of highly technical operation.

Senator SPONG. With the exception of those who work under NASA, are the remainder of the employees in line with our missions in other European countries?

Mr. HILLENBRAND. I do not think they are disproportionately numerous.

U.S. POLICY TOWARD EUROPEAN SECURITY CONFERENCE

Senator SPONG. I was not able to be here on yesterday when the Secretary testified. I will depart from the arithmetic for a minute and ask you what your understanding is of the present American policy toward a European security conference.

Mr. HILLENBRAND. Perhaps the best public statement on that subject was actually made by the Secretary in a speech given to the Overseas Writers Club on the first of December. This tried to set out without being either too positive or too negative some of the advantages and disadvantages such a conference might produce. There is also language in both the Secretary's report, which I think has been made part of the record, and also in the President's report to the Congress

which states, I think, in fairly specific terms again what the possible advantage and disadvantage might be.

As you know, we have joined with our NATO allies in successive ministerial communiques issued at the various conference of the foreign ministers——

Senator SPONG. Let me interrupt, if I may. Are we for or are we against one or are we for one with certain conditions?

Mr. HILLENBRAND. We have said that if the final Berlin protocol is signed by the Soviet Union (as you know, they have linked the signature to the ratification of the Moscow treaty by the German Federal Republic) then we will be prepared with our other NATO allies to move toward so-called multilateral preparation for such a conference on security and cooperation.

Now, presumably the success or failure of those preparations will determine whether a conference itself would serve a useful purpose. We have no reason for thinking that these preparations will abort. On the other hand, we have had sad past experiences, most notably many years ago at the famous Palais Rose conference when they met for more than five months with the Soviet Union and could not even achieve agreement on an agenda. I would hope in this case that kind of an impasse would not develop. But I think it is fair to say, and the Secretary has pointed this out publicly, that it is unrealistic to expect, given the need for such adequate and thorough preparations for the conference, that the conference itself could take place until sometime in 1973.

QUESTION OF MUTUAL AND BALANCED FORCE REDUCTIONS

Senator SPONG. Is one of the conditions or could one of the conditions of our participation be that the question of mutual and balanced force reductions be on the agenda?

Mr. HILLENBRAND. We have taken the position that this is a subject which should be kept on a separate track because we thought that since we had not attached any preconditions to such discussions as we had attached the Berlin precondition to the preparations for a European conference on security and cooperation, we should proceed as if these two could be kept separate. There is also a practical consideration and that is that a conference of some 30 odd foreign ministers is hardly likely to be the best vehicle to deal with the highly complicated subject such as mutual and balanced force reductions. It is conceivable that if the conference on security and cooperation should take place prior to a discussion between East and West on mutual and balanced force reductions, there would be some acknowledgement of mutual and balanced force reductions by the foreign ministers. In a way we still do not know specifically how it might work out, but we would think that the actual conference itself would not be the best forum, although a forum that could be created or would be created for mutual and balanced force reductions might have some relationship to the broader conference as still undefined.

Senator SPONG. Isn't it the Soviet position that they will not discuss mutual and balanced force reductions at the very security conference that they have espoused for sometime.

Mr. HILLENBRAND. That is their position. What they have said is that the subject of mutual and balanced force reductions should be discussed either in a body to be established by the foreign ministers at the conference on security and cooperation or in some other suitable forum. That is the sort of language which has become hallowed when they refer to this subject.

Senator SPONG. The entire matter of our future troop commitments in Europe, of course, is dependent upon our policy toward mutual and balanced force reductions. Part of the great debates that have taken place over the Mansfield amendments always relates to the fact that we are waiting for mutual and balanced force reductions before we reduce. We do not want to do it unilaterally. Therefore, while I am very much aware of the complexities that you have outlined as to how this could be discussed, I nevertheless, find the idea of a European security conference that does not have this on the agenda to be lacking in something.

Thank you for your testimony.

PURPOSE OF MR. BROSIO'S MISSION

Senator SPARKMAN. Mr. Secretary, wasn't the real purpose of former Secretary General Brosio's trip to Moscow and then to other Eastern European countries to try to pull these things together?

Mr. HILLENBRAND. Precisely. This was an exploratory mission to get some idea of thinking on the Eastern side both as to form and as to substance. He was not authorized to actually conduct negotiations but merely to in effect prepare for possible negotiations.

Senator SPARKMAN. That is right.

We return it to you, Mr. Chairman.

The CHAIRMAN. I have a few more questions here which the staff prepared.

INTERGOVERNMENTAL GROUP FOR EUROPE

Mr. Hillenbrand, do you chair any committee or group within the National Security Council system dealing with problems in your area?

Mr. HILLENBRAND. I am chairman of what is known as the Intergovernmental Group for Europe, IG–EUR.

The CHAIRMAN. Who are the other members of the committee?

Mr. HILLENBRAND. This depends, of course, on the nature of the subject discussed, but very often a typical meeting of the group would include the Department of Defense, CIA, probably USIA, possibly the Department of Commerce, possibly the Department of Treasury, again depending on the subject matter, or any other agency of the U.S. Government that has a legitimate interest in the subject discussed.

The CHAIRMAN. Is it an active committee?

Mr. HILLENBRAND. It is a very active committee, yes.

The CHAIRMAN. About how many times has it met in the last six months?

Mr. HILLENBRAND. Well, it has met either as the full board or in some subgroup many, many times. I could not tell you the exact figure offhand, but this is an active body. It does not always meet in the plenary sense, but there are a number of subgroups that are constantly

meeting. For example, in connection with preparations for the conference on security and cooperation, we have an almost daily series of meetings going on under the general aegis of the intergovernmental group.

The CHAIRMAN. Who chairs this committee?

Mr. HILLENBRAND. You mean the subcommittee? I chair the meetings of the plenary group and some of my deputies will chair the meetings of the working groups that are established under it.

The CHAIRMAN. Is Mr. Kissinger a member of it?

Mr. HILLENBRAND. No, he is not.

The CHAIRMAN. For our information is it possible for you to provide the committee with some of the decisions made by such a committee, to illustrate the nature of its work?

Mr. HILLENBRAND. I think we could do that illustratively, yes.

REFERRAL OF POLICY PAPERS APPROVED BY EUR

The CHAIRMAN. Would you describe what happens after decisions are made by policy papers approved by your committee? To what higher authority are any such matters referred? We are trying to understand the machinery.

Mr. HILLENBRAND. The intergovernmental groups for the various regional bureaus, and EUR is not distinctive in this regard, prepare reports or papers which hopefully represent the agreed position of all of the various constituent agencies although the chairman at his discretion, if agreement cannot be reached within the U.S Government, can transmit in effect a split report or his own recommendations to the National Security Council. Then these reports will be considered by the appropriate vehicle of the National Security Council. In most cases it would be what is known as the Senior Review Group. This meeting of the Senior Review group is usually attended by the Undersecretary of State and by the appropriate assistant secretary who has been involved in producing the paper that is being discussed. The usual channel then is directly from that group to the Security Council itself and then out of this discussion will come a Presidential decision. I think this is sort of the standard process.

The CHAIRMAN. That is what I wanted to get, some idea. There are so many rumors about how these matters operate. We are trying to get some idea.

SENIOR REVIEW GROUP

Are you a member of the Senior Review Group to which you referred?

Mr. HILLENBRAND. I am not a member. The Undersecretary of State is a member, but if the paper being considered is one that I was involved in producing as chairman of the Intergovernmental Group for Europe he will always take me along and if necessary I can speak and explain the paper.

The CHAIRMAN. If it involves your area then, you usually go along?

Mr. HILLENBRAND. Yes.

The CHAIRMAN. Who is chairman of that?

Mr. HILLENBRAND. Henry Kissinger.

The CHAIRMAN. He is?

Mr. HILLENBRAND. Of the Senior Review Group.

The CHAIRMAN. Who draws up the agenda and controls the attendance of such meetings? Does the chairman?

Mr. HILLENBRAND. The attendance is pretty much a matter of who the principal going to the meeting wish to take with them.

The CHAIRMAN. Who controls what the subject matter is and who is invited?

Mr. HILLENBRAND. The person invited will be the permanent member of the body, which in this case is the Undersecretary of State. Then he will take along whoever he feels is relevant.

The CHAIRMAN. Then those decisions are made known to the NSC itself and then, of course, presumably to the President, if it is a matter warranting his attention. Is that right?

Mr. HILLENBRAND. That is correct. Then eventually there will be a Presidential decision which is notified to the interested agencies.

DIRECTIVES ABOUT OPERATIONS

The CHAIRMAN. Are there any directives about the operations of the Security Review Group that could be made available to our committee?

Mr. HILLENBRAND. Will, I suppose. I think there is descriptive material. I do not know the exact place where these directives would be obtained because I am not sure there is a directive which spells out in detail how this body will operate, but certainly we can give you a full description of how it operates.

The CHAIRMAN. That is what we want. We are entering a kind of new area here in trying to get at this rather new development, which we discussed briefly yesterday. That is, the emergence of the National Security Council as a very significant agency in this area and some suggestion, as I had yesterday, that now goes beyond the original jurisdiction that the Congress thought it was giving to the NSC in the 1947 Act. There may be a difference of opinion about that, but, in any case, I am not now trying to argue about it good or bad. I am trying to understand it. All these questions are designed for is to try to understand how it is working. That is about the extent of it. Insofar as you can give whatever you think is relevant, such as you have said, a description of it or any directives or whatever you want to call them, we would appreciate it as part of our record so we can try to understand how it works.

The Secretary feels that the foreign policy is working well. We want to understand why it is and how.

POLICY STUDY PAPERS INITIATED BY N.S.C. COMMITTEE SYSTEM

Could you say what policy study papers have been initiated by your National Security Council committee system within the last six months? We do not want the details if there is anything discreet, but give us an illustration.

Mr. HILLENBRAND. There have been papers relating to the mutual and balanced force reduction, conference on security and cooperation, etc. I am not sure where the cutoff date would be, but when I say pa-

pers I mean numbers of papers not merely one, and then there were also many during the intensive period of the Berlin negotiations. This was a subject which produced a great deal of back and forth but basically the positions were developed within this group and then considered eventually by the President who gave his decisions. These have been the major fields, but there have been a lot of minor fields, not minor but less important fields, less sensational fields, concerning which there is a constant flow back and forth dealing with specific country problems and so on.

However, I might point out that the National Security Council system only effects a relatively small proportion of the actual fields of foreign affairs because it is not set up to conduct foreign affairs as part of an executive operation. It is the device that has been constructed to provide a way for the President to have the necessary information which he requires to arrive at his decisions, so that many many matters are dealt with, in fact the great bulk of matters are dealt with by the desks in the State Department or bureaus purely on the basis of *ad hoc* requirements within the general framework of policy.

TYPES OF ISSUES CONSIDERED

The CHAIRMAN. There are a number of issues, of course, in which you do not feel the need or the President does not wish to be involved. I mean they are of a relatively minor nature. You remind me of a visit. I had to step out to greet some visitors from Greece because I was unable to meet them at any other time.

Does the question, for example, of the home porting of our Navy come up before this review committee. Is that the type of question in which you would be involved and would you recommend to the President yes or no on that type of issue?

Mr. HILLENBRAND. Well, Mr. Chairman, I do not want to appear to be ducking this issue, but the way the bureaus are set up the responsibility for Greece actually comes within the Near Eastern Bureau.

The CHAIRMAN. Of course it does. I have forgotten.

Mr. HILLENBRAND. Theoretically this could be the kind of problem that would arise within this kind of framework.

The CHAIRMAN. I know that is under Mr. Sisco, but it is a current problem and I was using it as an illustration because they spoke to me about it a moment ago.

Were you consulted about this recent agreement announced about the Azores? Portugal comes under your jurisdiction; doesn't it?

Mr. HILLENBRAND. This is right.

The CHAIRMAN. Was that the type of thing that would be considered?

Mr. HILLENBRAND. That went through this general apparatus.

The CHAIRMAN. From you to the review committee to the Security Council and to the President. Is that the way it works?

Mr. HILLENBRAND. That is right. This was dealt with within this general framework.

WAS PRESENTING AZORES AGREEMENT AS TREATY CONSIDERED?

The CHAIRMAN. Did you give consideration to it? Were you present and participated in any such consideration?

Mr. HILLENBRAND. I was present in it. I am not sure I was present at all the meetings, but I was certainly present at the various steps along the way toward development of what our policy was to be; so I accept responsibility for my role in this particular enterprise.

The CHAIRMAN. Could you tell us whether or not, during the time that issue was before the review committee there was any consideration given to presenting it as a treaty to the Senate? Was it discussed? Was the matter raised?

Mr. HILLENBRAND. The general feeling was that this was merely an implementation of the prior agreement and was not a instrumentality which needed to be a treaty or even should be a treaty because as the negotiation developed it became clear that what the Portuguese wanted, and we had no reason for not wanting it, was a rather simple undertaking on both sides which would involve an exchange of letters and exchange of communications but not a formal document which would require action of the kind you have mentioned.

GRANTS AND CREDITS INVOLVED IN AZORES AGREEMENT

The CHAIRMAN. It involved grants and credits of over $400 million; didn't it?

Mr. HILLENBRAND. Not really, Mr. Chairman. What it involved was——

The CHAIRMAN. What do you mean, "not really"? The papers said that. Maybe I am misinformed.

Mr. HILLENBRAND. No. What was involved was that the Export Import Bank facilities were made available for credits in that amount providing the normal criteria which the Export Import Bank enforces in any such dealings were met. This was not a handout.

The CHAIRMAN. That is part of it, but there were also some grants. That is the major part, it is true, but there were some substantial grants in there, too, as I recall it.

Mr. HILLENBRAND. There were no major, no large amounts of——

The CHAIRMAN. No?

Mr. HILLENBRAND. Funds involved.

The CHAIRMAN. There were large amounts of credits and small amounts of grants is the way I recall it.

Mr. HILLENBRAND. But the credits were not automatic and guaranteed. They were only put into the package because it seemed logical to do so, but it was clearly understood by the Portuguese authorities as well as by the U.S. Government that these would fall within the normal criteria for the extension of Export Import Bank facilities which had been extended in other cases to Portugal long before this.

COST OF MAINTAINING AZORES BASE

The CHAIRMAN. That is one aspect. The other aspect of it is maintenance of a base which many believe to be obsolete. That base is like many other things we acquired during World War II when we had propeller planes and were dubious about their capacity to navigate across the ocean without stopping. For the same reason we put a relatively big base in Iceland. We had left Iceland alone. We never intruded upon her until the war came along and for fear the Russians

might, we occupied it and took it over and installed a base during the war and nobody objected about that except the Icelanders. But we still have a base there. There is this inability to liquidate anything even though the circumstances have changed. The cost will not only be the concessional terms on Export Import Bank credits plus whatever the grants were but the continued maintenance by us of a quite expensive base, which you do not mention at all.

I have forgotten. I imagine that will run several million dollars a year, and it is, of a very dubious value, if any.

NONSUBMISSION OF AGREEMENT TO CONGRESS QUESTIONED

So I do not know why you think this should not be submitted to the Senate if you think the Congress has any legitimate role to play in the disposal of taxpayers' money and the making of policy. I do not quite understand it. If I understand you, no serious consideration was given to submitting this to the Congress for approval. Is that a correct answer?

Mr. HILLENBRAND. I would not put it that way.

The CHAIRMAN. You put it the way you want.

Mr. HILLENBRAND. It was concluded——

The CHAIRMAN. You talk all around the subject.

Mr. HILLENBRAND. It was not necessary. I think Undersecretary Johnson testified, as you know, Mr. Chairman at great length on all aspects of this matter and I could not purport to go into the same kind of detail that he had, but I might say that while one might conclude, as you have, that this base no longer serves a useful purpose, that is not a judgment shared by the Department of Defense.

The CHAIRMAN. I realize that. I can think of hardly any base that they have decided is obsolete. It does not matter how long it has been in operating. They can always think of some new means, just like you thought of a new rationale for Radio Free Europe, which was quite different from the one your predecessors used to give. I do not mean you personally. I mean the Administration. I do not want to make you the goat of this. But that is normal procedure. However, I do not know why we should not participate in the judgment because we have to bear the brunt of raising the money and take all of the heat for the deficit and raising the debt limit and all the rest of it. I think we should participate, but apparently the review committee and the group do not think so.

CRITERIA FOR SUBMISSION OR NONSUBMISSION TO SENATE

What is your criteria for a matter qualifying as worthy of being submitted to the Senate and one that should not be submitted to the Senate. How do you distinguish?

Mr. HILLENBRAND. Well, I do not believe there is a general rule from which one could deduce in every specific case what disposition should be made of an agreement. I mean we have all sorts of court decisions over the years on the right of the Executive to make executive agreements, and I do not think that there is any deliberate attempt to evade the constitutional aspect of this issue. Treaties are negotiated and submitted regularly to the Senate for confirmation or for action. In this case, as I said, it was the judgment that it was not necessary because

a treaty was not involved. Now, obviously this is an area where there has always been a certain amount of difference of view between the legislative body, the Senate and the executive department, and I hope that these differences of view can be amicably adjusted.

The CHAIRMAN. Do you think it is an unreasonable attitude to say that it was contemplated in the Constitution that matters of importance involving certainly the stationing of troops abroad and the creating of conditions that could result in war or conflict, or involving large sums of money, would be treated as treaties and that matters of relative unimportance or routine matters, generally speaking, should be executive agreements? Would that not be a reasonable interpretation of the Constitution?

Mr. HILLENBRAND. It is one interpretation, but I do not think it is necessarily the only interpretation. It is not one which the courts have uniformly maintained.

DISTORTION OF CONSTITUTION SUGGESTED

The CHAIRMAN. But isn't it true that the courts' decisions, if this issue had been presented in this way, although I do not think it has—I think the courts are very inclined when there is a controversy between the executive and legislative branches to say that it is a political question and they won't take jurisdiction. Nobody denies that as a very general proposition the Executive can make executive agreements. I do not deny it. But yesterday, for example, we had two formal treaties, one of them increasing the number of the Board of Directors of the International Atomic Energy Agency.

I cannot think of anything much less significant or controversial. The other one was dealing with the immunities of the members and staff of the Commission of European Communities Mission who will be stationed here. I cannot think of anything else that could be much less important. We get a great many treaties of this kind. But when it involves $400 million in concessional credits and grants or when it involves the stationing of 10,000 men in Spain, with innumerable sorts of things, the risk of war, being drawn into conflict, you say it is an executive agreement. I think you have actually reversed the traditional, and what I believe to be the proper, constitutional provision with regard to executive agreements and treaties. I am bound to say that is what is happening. We get lots of treaties, but they all deal with utterly insignificant matters. Occasionally, about once every few years, we get one like Okinawa, which is a change in a previously negotiated treaty. One excuse on the Spanish bases agreement, which certainly is an important matter, was that the original agreement was made by executive agreements. It was made during a period of great tension at the height of the McCarthy period when we were scared to death of Communists. We saw Communists under every bed and in every church and in every school, to say nothing of the State Department. You remember you were crawling with Communists along about that time; don't you. So we made executive agreements. The Spanish bases agreement was clearly a matter that should have been a treaty to begin with, but having been an executive agreement they continued it as one. There are a number of people, I do not know how many, who think this is a distortion of Constitution.

Senator CASE. The Chairman has been quick to pick up suggestions that I have made from time to time.

The CHAIRMAN. I recognize the meritorious suggestion quickly.

Senator CASE. I think it is terribly important for Congress to re-establish its role in foreign affairs. I cannot expect that the apparatus in the State Department would ever possibly agree. I do have a couple of questions though, if I may, Mr. Chairman.

The CHAIRMAN. Sure.

WOULD S. 596 COME BEFORE NSC APPARATUS?

Senator CASE. Does legislation like my bill on executive agreements, requiring that they be sent to the Congress, come before the National Security Council apparatus that you have described?

Mr. HILLENBRAND. I am quite sure I understand your question.

Senator CASE. Well, we have passed in the Senate my bill to require all agreements with foreign countries to be sent to the Congress whether they be treaties or executive agreements. Does legislation of that sort come before the NSC apparatus? The matter is now pending in the House Committee on Foreign Affairs.

Mr. HILLENBRAND. I would doubt that would be considered a suitable vehicle for that kind of a question. The normal subject matter of the system that I have just described would be matters relating to national security policy rather than to a matter of jurisdiction between one branch of the U.S. Government and another branch.

DISCUSSION OF SUBSTANCE AND FORM OF AGREEMENT

Senator CASE. There is the question that the chairman was just discussing as to whether an agreement on a particular matter, such as the Azores or Bahrain, should be treated as a treaty subject to Senate ratification or as an executive agreement, not requiring action by the Senate. But it is the substance of the agreement which would come before the NSC apparatus, if I understand you correctly.

Mr. HILLENBRAND. Well, the substantive content of the agreement and the——

Senator CASE. And what about the form of the agreement?

Mr. HILLENBRAND. That is right. Well, that particular question of form or format is more likely to be discussed by a less formal body and it would not have to go all through all of these procedures. This is the kind of decision that would be made by the executive at the appropriate decision making level. Where the mechanism is more usable is in terms of substantive negotiating content as the negotiations proceed through the various phases.

Senator CASE. I must protest against the suggestion it is purely a routine question of form whether a matter is referred to the Senate. You did not mean to suggest that?

Mr. HILLENBRAND. No, I did not mean to suggest that. I meant it did not seem to me that was necessarily a matter that would be of the same interest to all of the concerned agencies as the actual content of the treaty.

Senator CASE. To whom would it be of concern?

Mr. HILLENBRAND. I think this is a matter essentially for decision by the Secretary of State and the President.

DECISION CONCERNING AZORES, BAHRAIN AND OTHER AGREEMENTS

Senator CASE. In the case of Bahrain, in the case of the Azores, in the case of Okinawa, who made that decision, in fact, if you know? Maybe you do not know?

Mr. HILLENBRAND. I think it involved the highest levels of the U.S. Government. I do not think that was something that was sort of foisted on the government by functionaries.

Senator CASE. We have turned it around though. I appreciate that.

AMBASSADORS IN EUROPE NOT ACCREDITED TO COUNTRIES

A question that the staff gave me: How many Ambassadors do we have in Europe who are not Ambassadors accredited to countries?

Mr. HILLENBRAND. Yes, we in the European Bureau have NATO, Common Market, OECD (Organization for Economic Cooperation and Development), and we are not responsible for the Ambassador to the various international organization in Geneva.

AMBASSADOR PORTER

The CHAIRMAN. How about Mr. Porter?

Mr. HILLENBRAND. We are not responsible for Mr. Porter. That is, my bureau is not. He is operating in Paris, but he is dealing with a range of subject matter that is entirely non-European.

Senator CASE. You house him?

Mr. HILLENBRAND. We would provide support facilities.

AMBASSADORS UNDER BUREAU'S JURISDICTION

Senator CASE. Are all of these except Ambassador Porter under your jurisdiction?

Mr. HILLENBRAND. The first three I mentioned are.

Senator CASE. Common Market?

Mr. HILLENBRAND. You mean the European Community? That is subject to the jurisdiction of my bureau, yes, sir. Also NATO and OECD.

Senator CASE. Thank you, Mr. Chairman.

JUSTIFICATION FOR MAGS

The CHAIRMAN. I have a few questions here, some of which I will submit for you to answer. The time is getting late. There is one group here in which I am interested. I understand there are 10 groups commonly called MAGs (Military Advisory Groups) in Europe yet we only give military aid to two countries, Spain and Portugal. Could you give me what justification there is for a MAGs group in France, Austria or Denmark, for example?

Mr. HILLENBRAND. There is a matter, Mr. Chairman, which is under continuing discussion between the relevant departments and I would not attempt here to justify these particular organizations. They are regarded as necessary and as desirable by the Department of Defense.

The CHAIRMAN. Here again we come right back to where I started in the beginning to establish the line of responsibility. I asked you

what do you think. Are they or are they not justifiable? You are the Assistant Secretary charged with the area. We are very interested in what you think about them.

Mr. HILLENBRAND. Well, I would say only that questions have been raised as to some of these and the discussion continues within the U.S. Government, but I cannot arbitrarily make a decision of this kind to close out a given installation.

The CHAIRMAN. I can understand how you did not get your way, but can't you tell me what you think about it? Do you think this is a good idea or is it a bad idea or is that classified? I would like to have what you think about it

Mr. HILLENBRAND. Well——

The CHAIRMAN. I know what the Defense Department thinks about it. They are like the base on the Azores. They will never give one up unless somebody makes them give it up. They would have one in every place they ever had one. What do you think about it

Mr. HILLENBRAND. Well, all I can say, Mr. Chairman, is that the arguments which have been made by that department are reasonably persuasive. On the other hand, there is nothing frozen about this situation. As I say, it is under continuing discussion.

The CHAIRMAN. I understand that. If you say you are unwilling to answer it, I guess I will have to accept that, but I think you surely have given it consideration.

Mr. HILLENBRAND. Well, I would prefer not to give my personal views on such a matter in open session.

The CHAIRMAN. You are the assistant secretary and what we are here for today is to examine these. To me I can't see any probable reason to keep a MAG group in Denmark, for the example, certainly one of the least militaristic nations in the world and certainly not involved in our crusade for freedom in Southeast Asia or anywhere else. I wonder how in the world you justify keeping a MAG there. These all cost a lot of money, as you know. They are very expensive installations.

Mr. HILLENBRAND. I will be very happy to bring your views, Mr. Chairman, to the attention of the Defense Department.

The CHAIRMAN. Did this question come before your committee in the NSC?

Mr. HILLENBRAND. This is not the type of question that is likely to arise in the NSC.

The CHAIRMAN. It is not?

Mr. HILLENBRAND. I would doubt that it would.

Mr. MACOMBER. If we could interrupt.

The CHAIRMAN. I welcome an interruption. What do you think about it?

PARA SYSTEM

Mr. MACOMBER. I am not an expert on these particular countries. However, we are inaugurating in the Department a new system, which you have referred to in one of your questions earlier, about a new system called Para where under the leadership of the State Department we are sitting down each year and looking at U.S. Government objectives, not just the objectives of one particular department of the government but of all the departments of the government. We carefully examine our objectives in a particular country, and we also look at the

resources we assign there. We look, for example, at the personnel pattern that exists in our mission in that country. We look at the resources that come out of each department of the executive branch and are applied in that country. It is through this programing system that we will review the kind of thing you are raising, that is whether we have, through momentum, allowed resources to remain applied to a particular situation while the original rationale no longer applies. We are also changing our inspection system so that when our inspectors go out they no longer simply inspect personnel and audit accounts but also inspect policy, and are specifically charged to look into whether there are——

DEPARTMENT'S VIEWS CONCERNING MAGS

The CHAIRMAN. I thought you were going to tell us about the MAG groups. I didn't expect a diversion. This is all very interesting, but it has nothing to do with MAG groups.

Are you for or against MAG groups in eight countries, where we don't have any military aid program, out of ten?

Mr. MACOMBER. I would think where we have a MAG program it would be a pretty good question to ask why it is still there.

The CHAIRMAN. I am asking you.

Mr. MACOMBER. I don't know the answer. It is a question that certainly should be reviewed in the paraprocess.

The CHAIRMAN. You have been around here a long time. I bet you have a suspicion of what your answer is.

Mr. MACOMBER. I have a suspicion, that is right.

The CHAIRMAN. You are just not ready to give it this morning.

Mr. MACOMBER. That is correct.

The CHAIRMAN. That is all right. I can understand that. But I think it is a matter that ought to be considered and before we are through with this I think we ought to have a justification, if the State Department has one. I think we are entitled to be told the State Department's views about it because this committee has some—very remote it is true—power to influence these matters. We hope to have more with your cooperation. I hope you understand we are trying to strengthen the State Department to have a little more influence in some of these matters. I think it is ridiculous to maintain MAG missions in countries like this years after any possible reason. In World War II, 25 years ago, I could understand why they had them, but I certainly don't understand why they have them now.

QUESTION OF EXECUTIVE PRIVILEGE CONCERNING DISCUSSIONS BETWEEN DEPARTMENTS

Senator CASE. This is interesting and opens up a wide area. Involved here is the question of executive privilege. This is not, as you say, a matter of the sort that you would trouble the President with or even the Secretary, Mr. Hillenbrand. I think you said this wasn't a matter that came before the National Security Council apparatus.

Mr. HILLENBRAND. Well——

Senator CASE. I think you said it.

Mr. HILLENBRAND. I think that is what I said. I didn't think that was the appropriate mechanism for the consideration of these questions, but obviously sometimes if there are differences of views between

agencies they have to be discussed at fairly high levels at the top of the agency or near the top of the agency. This question, as Mr. Macomber says, of the distribution of resources is now going to be examined with these new techniques and perhaps out of them will come a more specific answer to your specific question and the chairman's specific question, but within a bureaucracy it is necessary to maintain a certain discipline in terms of not letting personal views intrude on decisions that are made and which we as disciplined members of this bureaucracy carry out faithfully.

Senator CASE. Are discussions between you and the Defense Department a matter of executive privilege?

Mr. HILLENBRAND. Well, I would prefer not to discuss it in open session because I think at this stage it might be a subject which would merely create bad feelings between various portions of the bureaucracy. I think there are certain things that when they are under discussion are better not discussed publicly.

The CHAIRMAN. But this will never be finished; will it?

Mr. HILLENBRAND. No; I think it will be finished one way or the other once this analysis system can be brought to bear on the subject matter.

The CHAIRMAN. But the question of whether you have a MAG outfit in a particular country is also open. Here you may not have and it may be a question of whether you ought to and that will be under discussion or you will have it and there will be a question of whether you should not have it and that will be under discussion and the matter will never be one which will come properly before the public.

Mr. HILLENBRAND. There have been certain liquidations of MAG operations in other countries of Europe. I mean if you compare the situation now with what it was 10 years ago, one cannot say that no change is possible.

QUESTION OF PUBLIC KNOWLEDGE OF DISCUSSIONS BETWEEN DEPARTMENTS

The CHAIRMAN. I am not arguing about whether it should or shouldn't. I am addressing myself to the fascinating question, to which I don't know all of the answers, of how much you let the public into your discussions and at what period.

Mr. HILLENBRAND. Well——

The CHAIRMAN. This is not negotiations with a foreign country. This is discussion within our own Government and not advice to the President, but discussions among people in the Government departments. That is true; is it not?

Mr. HILLENBRAND. Yes.

The CHAIRMAN. In each case——

Mr. HILLENBRAND. This is a subject which is under review.

Mr. MACOMBER. The Congress has to supply the resources and so the Congress is obviously entitled to know what the considerations are, why you have certain kinds of personnel resources abroad. If it is a very sensitive matter, the information may have to be provided in closed session, but I don't see that executive privilege would bar a discussion of the pros and cons of having a certain kind of resource, personnel or otherwise, in a country.

Senator CASE. I don't think it would bar that kind of discussion. What about what Mr. Hillenbrand said to his counterpart in the Department of Defense on this issue and what was the reply?

Mr. MACOMBER. My feeling is if you are going to have frank discussions within the executive branch, then the full specifics of those discussions——

The CHAIRMAN. I didn't ask him that; I asked him to tell me——

Mr. MACOMBER. Exactly.

Senator CASE. I am asking him that.

Mr. MACOMBER. They should be protected. I think the discussions themselves should be protected. But the issues——

Senator CASE. I am not necessarily asking for a transcript. But your views, which presumably were reflected in what you said, should be open to us.

LEGAL REQIREMENT THAT JCS EXPRESS PERSONAL OPINIONS

The CHAIRMAN. Mr. Hillenbrand, isn't it a fact that by law members of the JCS are required to express their personal opinions when asked by the Congress? Is that not a legal——

Mr. HILLENBRAND. I am afraid I can't answer that.

The CHAIRMAN. Don't you know, Mr. Macomber?

Mr. MACOMBER. I do not know that.

The CHAIRMAN. It is my understanding that was given to them in order to give them an opportunity, you see, to lobby the Congress in their own behalf when they wanted to and they had a legal justification for it. I wondered, assuming that is true, would you welcome or would you oppose a similar provision in this law. This is hypothetical, but if the JCS is independent such as compulsion, would you object to being the same?

Mr. HILLENBRAND. Well, Mr. Chairman, looking at it practically within a bureaucracy one has to maintain good working relations with the people in other agencies with whom you deal on all sorts of problems and if a difference of view is going to be aired publicly those relations are going to be put in jeopardy. I mean I have to think of the people with whom I have to deal with next year on all sorts of problems and——

The CHAIRMAN. Why aren't the JCS subject to wanting to get along with the rest of the government too?

Mr. HILLENBRAND. Well——

The CHAIRMAN. They are very free in the expression of their views about all sorts of things, especially weapons systems and things of this character. They may not be true. The staff thinks that is the law with regard to the JCS.

Senator CASE. The State Department has to get along with Congress too.

The CHAIRMAN. Heretofore they have not felt they did.

Mr. HILLENBRAND. Well——

The CHAIRMAN. We are trying to reestablish that principle.

Mr. HILLENBRAND. I am certainly perfectly willing to give you my own views, but I would prefer to do it under conditions so that they would not become a matter of public knowledge.

The CHAIRMAN. That is all right.

Mr. HILLENBRAND. So my friends over in other agencies would not be able to say, "Look, you are some——

Senator CASE. We can ask them what they felt about it too.

Mr. HILLENBRAND. They do not come before this particular committee.

PUBLIC'S RIGHT TO KNOW

Senator CASE. I think they would if we asked them on a matter over which the committee has some jurisdiction. But the question really is that the public has a right to know. I really think so. Not just the Congress in executive session. That is all.

FURTHER QUESTIONS TO BE SUBMITTED

The CHAIRMAN. I am going to ask the staff, Mr. Hillenbrand, to submit to you some further questions about the number of people and the cost of NATO and OECD. I want to go on to Mr. Brown. I have gone over my time now.

PROPOSED U.S. AND OTHER MISSIONS IN GERMANY

There is one last item that impresses me. It is quite interesting. I will ask about it, but I do not want to spend much time on it. You proposed 493 people in the coming year at a cost of $11,156,000 for the Department's mission alone in Germany. That seems very large to me. Could you say a bit about that and how many people such countries as France, Britain and Russia, for example, have in their embassies in Germany. That you would know; wouldn't you?

Mr. HILLENBRAND. We can get the comparative statistics.

(The information referred to follows:)

COMPARATIVE UNITED STATES, FRENCH, BRITISH, AND SOVIET REPRESENTATIONS IN GERMANY

(Supplied by Department of State)

Question. Were you able to obtain comparative figures for U.S., French, British and Soviet representations in Germany?

Answer. No, the holiday weekend prevented us from obtaining comparative totals for all of Germany. However, I have statistics for the diplomatic complements in the four embassies in Bonn:

France	172
Britain	130
Soviet Union	80
United States	134

This figure compares quite favorably with the 166 Germans employed by the German Embassy in Washington.

I also have figures of the consular personnel the City of Hamburg accredits for the consular establishments. These statistics are helpful in putting the size of the American presence in perspective.

Britain	12
France	4
United States	12
Soviet Union	35

(Based on report from Hamburg of projected staffing plan.)

I think it is also useful to look at the number of offices each country has in West Germany in addition to the embassies in Bonn and representations in Berlin. The French have a total 16 Consular Offices, two of which are Consular

Agencies; the British have seven Consulates while the U.S. has six. The Soviet Union is only in the process of establishing Consulates in Hamburg and West Berlin, the latter office, incidentally, with a total staff of 20 in addition to the large Soviet Embassy in East Berlin.

If I may, I would also like to correct any mistaken impressions which may have been drawn from the use of the statistics provided at the last session of the hearing. I pointed out that the figure 493 is a total for all Americans assigned to Germany. The budgetary item of $11,156,673 is also a composite figure, of which only $6,858,800 is the direct S&E part, including American salaries. The remainder is allocated for FBO, MECEA, FSI and OC.

Also, the staff complement for Spain was cited as 231 US employees and 600 foreign nationals, and for Italy as 232 Americans and 609 foreign nationals. It should be pointed out that these figures were quoted from the chart showing the total employment of all agencies, whereas the earlier figures cited for Germany were State Department personnel only. In Spain, for example, the State Department analysis of resources shows only 45 American personnel and 66 foreign nationals.

EXCERPTS FROM HAMBURG'S A–36—OCTOBER 27, 1971

According to the SPD-owned Hamburger Morgenpost, the SPD-controlled Hamburg Government and Soviet authorities have reached agreement on a site and building for the new Soviet Consulate General here. Reportedly the Soviets have been offered and have accepted—despite its space limitations—the former Prussian Legation building (...) at Harvestehuderweg 6, owned by the Hamburg government and immediately next door to the British Consulate General (...). Several days before the Morgenpost story appeared an official press spokesman for the British Consulate General denied rumors (...) of British objections to having the Soviet Consulate General next door.

Die Welt of October 21 reported that Embassy Counselor German Wladimirow who presently heads the cultural section of the Soviet Embassy in Bonn will become Soviet Consul General in Hamburg. It is understood that Wladimirow is 45 years old, a career diplomat and former press attache (1961–1965) at the Soviet Embassy in Bonn. In late 1965 Wladimirow returned to Moscow to be deputy press spokesman for the Soviet Foreign Ministry. *We also understand that plans are for about 35 Soviet staff at the Consulate General and an additional 65 or so dependents.*

The CHAIRMAN. Will you provide the statistics, but give a very brief comment to the justification for what seems to be an unusually large number in one embassy in a country of only 50 million people. It is much larger than, I think, in any of the other countries?

Mr. HILLENBRAND. Well——

The CHAIRMAN. I mean any of the other countries in Europe.

Mr. HILLENBRAND. The totals that you gave were actually for all of Germany, not merely for the American Embassy.

The CHAIRMAN. Oh, you do not mean that. That does not include military, CIA and all of the others. This is under the State Department.

Mr. HILLENBRAND. Necessarily figures for all Germany which include not only the embassy in Bonn, the mission in Berlin, which is a very large office in its own right, consulates general in Bremen, Dusseldorf, Frankfurt, Hamburg, Munich and Stuttgart.

Now, the Frankfurt consulate general is one of the largest consulates general we have anywhere in the world. We justify the size of our establishment there not only in terms of history of the last 25 years but in terms of current needs.

Now, there is the question of other agency representation there which is a separate——

The CHAIRMAN. How many do the Germans have here? Do they have anything like that number?

Mr. HILLENBRAND. Well, if you count their various consular offices, we can provide those statistics. I can't give you the exact figure now, but I would not think they would be all that disparate.

(The information referred to follows:)

GERMAN REPRESENTATION IN U.S.

(Supplied by Department of State)

The German offices here employ approximately 723 persons. This total can be broken down as follows:

	Total	German	Non-German
Embassy in Washington	191	166	25
Military liaison group in Washington[1]	200	194	6
13 consulates general and consulates	332	132	200
Total	723	492	231

[1] Deutsche Militaerische Bevollmaechtigte in USA und Kanada.

Note: These are only approximate statistics. Since both Good Friday and Easter Monday are holidays in Germany (and at the German Embassy in Washington), we had no access to exact figures.

The CHAIRMAN. Would you provide the figures on what the French, the British and Russians have in Germany?

Mr. HILLENBRAND. Yes.

NUMBER OF U.S. PERSONNEL RELATIVE TO COUNTRIES' SIZE

The CHAIRMAN. I would like to be reassured that what you said as a general proposition is correct. It seems to me in looking at these figures, and I am not going to pursue it any longer, that in Italy and in Spain and in Germany you have an unusually large number of personnel relative to the size of the country. Spain is an important country, granted, but it is a relatively small country too. You have a very large number, 231 U.S. and 600 foreign nationals. And in Italy 232 U.S. and 609 foreign nationals. Those figures are interesting and we want to know about it, but I am going to desist with you for a moment and I hope you will understand. You can let the people of your staff get these basic materials. I do not think there is anything very sensitive about it. It is a matter of getting it so we can try to begin to understand the extent of our operations there.

You have been very cooperative and a very very fine witness, Mr. Hillenbrand, and we appreciate it. I think it is a very auspicious beginning and we will talk about some of these personal opinions in executive session if you do not mind?

Mr. HILLENBRAND. All right.

The CHAIRMAN. Thank you very much.

Mr. HILLENBRAND. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Brown. We are very pleased to welcome you once again. You have been before this committee numerous times. I guess we do not need to reassure you about our respect for you and we are glad to see you. Do you have a statement with which you would like to start?

STATEMENT OF WINTHROP G. BROWN, ACTING ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS, ACCOMPANIED BY WALKER W. SMITH, DEPUTY EXECUTIVE DIRECTOR

Mr. BROWN. Thank you, Mr. Chairman. I have a very brief statement, but perhaps I might just as well summarize it.

The CHAIRMAN. We will put the statement in the record.

RANGE AND TYPE OF PROBLEMS IN AREA

Mr. BROWN. What is does essentially is to stress the size of the area for which we are responsible, which goes from Korea on the Northeast to Burma on the Southwest and the variety of the sizes and capacities of the countries involved ranging from some of the largest in the world to some of the smallest. It includes the industrial giant of Japan and some of the less developed countries as well. It is an area in which the interest of the four great powers of the Soviet Union, United States and People's Republic of China and Japan converge. Therefore, the range and type of problems that come up are very varied.

There has been a great sense of movement in the area in the past several years. There has been a steady increase for the most part in economic strength. There has been a growing sense of national identity. There has been the beginning of regional cooperation between the countries of the area themselves in both the political and economic fields. We have developed a rather effective, I think, system of handling AID and support for economic development on a multilateral basis, such as the coordinating group for Indonesia in which we and Japan and other countries cooperated with the International Bank and the International Monetary Fund in finding out the best way to help in necessary economic development.

It's been an area in which we have been trying to carry out the so-called Nixon Doctrine of maintaining our commitments but turning over more and more to the countries of the region the responsibility for their own defense and for their own economic development.

Again I say, I mention these facts simply to remind you of the obviously wide and important range of the problems which are involved.

PROPOSED BUDGET

Now to try to cope with some of these problems, the budget which we have proposed under the heading of Administration of Foreign Affairs, salaries and expenses, provides for 142 positions in Washington, 586 American positions overseas, and 909 local positions overseas. The total budget requested for that purpose is just under $24 million. We have in the area 35 different posts, 15 embassies, 5 consulates general, 13 consulates and 2 consular agencies.

Of the amount that we are asking for, roughtly 80 percent is for salary costs and allowances and the remainder is for day-to-day operating expenses such as rents, utilities, travel, security guards, transportation and that kind of thing.

ORGANIZATION OF BUREAU

We are organized very much the same way in which the Bureau of European Affairs is organized, as described by Mr. Hillenbrand. I will not repeat that here again.

I think, sir, that really summarizes what my statement contains and I will be glad to try to take your questions.

(Mr. Brown's prepared statement follows:)

Mr. Chairman and Members of the Committee: I am appearing today in the absence of Assistant Secretary Marshall Green who, as you know, is traveling in Asia.

The Bureau of East Asian and Pacific Affairs is responsible for the handling of our diplomatic and other relations with the countries of the immense area which ranges from Korea on the Northeast down through Australia, New Zealand and Indonesia, and on through Burma on the Southwest.

This area contains three of the most populous nations of the world and some of the smaller nations, some highly industrialized and some in the stage of development. It is the area in which the interests of the four great powers, the United States, the USSR, the People's Republic of China and Japan, most closely and constantly converge. It is an area of high strategic significance for the United States. It is an area of vast economic significance, if only because of our immense trade with Japan, our second largest customer.

It is an area which is in a period of rapid political and economic change. Instead of the bipolar confrontation between the Free World and the Communist World which was considered to prevail 20 years ago, we now have an area in which the future course of events will be largely determined by inter-relationships between four powers, the Soviet Union, the United States, the People's Republic of China and Japan.

It has been for the most part an area of steady increase in economic strength. Behind the shield of security which we have helped to provide and, in a considerable number of cases with our economic and technical help, the nations of the area have grown rapidly in economic strength. This has led to a significant increase in political stability and sense of nationhood which has not only contributed to the progress of individual countries but has also led to efforts by a number of countries of the region to cooperate with each other in trying to find solutions to regional problems.

The recent Declaration of the ASEAN Foreign Ministers at their meeting in Kuala Lumpur last November enunciating as a long term goal recognition of this area as a zone of peace, freedom and neutrality is one example. The meeting of the eleven Asian countries in Djakarta under the leadership of Foreign Minister Malik of Indonesia to try to find some way in which Asian countries could help with some of the problems arising out of the hostilities in Cambodia is another.

Cooperation of this general type has also developed in the economic field, with the active cooperation of the international financial institutions and of non-Asian countries interested in helping the development of the area. The IGGI consortium working together under the auspices of the World Bank and Fund to help in the development of Indonesia, the consultative group working similarly with respect to Korea, and the Asian Development Bank located in Manila in which the Japanese contribution exceeds our own, are others.

East Asia is the area in which the Nixon Doctrine was first formulated and in which it has had some of its major applications. That doctrine, as you know, involves the United States maintaining its commitments in the region, but gradually turning over more and more of the responsibilities for self-defense and economic development to the countries of the area as their capacities increase. The Vietnamization program in South Viet-Nam is one major example. The Nixon Doctrine is, of course, not a withdrawal from or abandonment of Asia or the Pacific area. It is rather an effort to find a way to maintain our presence and protect our interest in the region on a basis which can be properly sustained over the long term. It is also important to remember that our physical presence, both military and civilian, is reduced, we will in a number of cases have to continue substantial contributions to the defense and economic development of friendly countries to enable them more effectively to help themselves.

I mention these facts as illustrations of the magnitude, variety and complexity of the foreign policy problems which the United States faces in this area and with which the Bureau of East Asian Affairs must do its best to deal.

To cope with these problems the budget proposed by the Bureau of East Asian and Pacific Affairs under the function, "Administration of Foreign Affairs," in the Appropriation, "Salaries and Expenses," provides for 142 positions in Washington, 586 American positions and 909 local positions overseas and totals $23,955,500.

The overseas positions are located at 35 posts—15 Embassies, five Consulates General, 13 Consulates and two Consular Agencies. We have closed the Consulate at Kuching, Malaysia, this year and in 1973, on reversion of Okinawa to Japanese administrative control, we plan to close the Political Adviser Office in Naha, Japan, and replace it with a Consulate General.

Of the budgeted amount of $23,955,500, over 82% is for salary costs and allowances of our staffs. The remaining 18% is for the day-to-day operating expenses of our staffs here in Washington and the 35 posts overseas. It consists primarly of rents, utilities, travel, maintenance and operation of buildings and automobiles, security guards, supplies and equipment.

The organization of the Bureau is simple. It consists of an Assistant Secretary with four Deputies; two of them deal with the political problems of the area; one with its economic problems; and one with the problem of Viet-Nam, Laos and Cambodia.

The main structure of the Bureau and the heart of its activities are the Country Directorates. Some of these, as in the case of Japan, Korea and the Philippines, handle one country. Others, as in the case of Indonesia/Malaysia/Singapore, deal with two or three, depending upon the ebb and flow of problems. We also have an office of Asian Communist Affairs which deals with mainland China. Another concerns itself with the increasing number of problems of regional significance affecting several countries in the area, and those problems which arise, not in our direct bilateral relationships, but through the United Nations, its Specialized Agencies, and in other multilateral contexts.

I hope that this will give you a general idea of the range of problems with which the Bureau must attempt to deal and the resources which we are requesting to enable us to do so. I will be glad to answer any questions which you may wish to ask and if I cannot answer, I will obtain the answer for you.

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau of East Asian and Pacific Affairs:)

BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS—SUMMARY, DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	717	$12,562,453	724	$12,722,766	728	$12,797,326	+4	+$74,560
Estimated net cost of permanent American employment (central American salary account) [1]		14,189,212		14,772,400		14,820,900		+48,500
Operating expense funds managed by this office [2]		7,477,617		8,058,200		9,134,600		+1,076,400
Total		21,666,829		22,830,600		23,955,500		+1,124,900

EXPLANATION OF DECREASES AND INCREASES	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decreases:						
Extra day's pay		−$111,800	11		−$25,000	18
Nonrecurring costs—New positions in 1972					−18,600	98
Increases:						
Annualization:						
New positions in 1972		+13,600	11		+13,900	98
1972 local employee wage increases					+92,900	18
Within-grade salary increases		+85,400	11		+71,500	19
Local employee wage increases, 1973					+289,500	98
Overseas price increases					+340,700	99
Improved support	+4	+61,300	13	+3	+311,500	100
Total increases	+4	+160,300		+3	+1,120,000	
Net increase/decrease	+4	+48,500		+3	+1,076,400	

[1] In addition to salary costs includes retirement, health benefit, and life insurance contribution; terminal leave, hardship post differential; and similar costs.

[2] Includes salaries for local positions: 1971—892; 1972—906; 1973—909.

Note: Total positions (Americans and locals): 1971—1,609; 1972—1,630; 1973—1,637.

BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS—FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY

	Americans	Locals	Amount
Australia	41	52	$2,245,906
Burma	17	32	1,055,170
Cambodia	14	13	962,164
Fiji Islands	3	3	165,996
Hong Kong	43	110	1,977,212
Indonesia	42	46	1,925,591
Japan	94	184	14,412,840
Korea	32	46	1,590,729
Laos	19	34	964,564
Malaysia	19	15	1,106,065
New Zealand	15	17	754,001
Philippines	53	82	2,112,639
Singapore	17	16	715,909
Taiwan	30	55	1,453,555
Thailand	88	104	3,389,671
Viet Nam	76	110	3,746,864
Trust Territories of the Pacific (Saipan)	1		34,108
Micronesia			19,052
Regional			1,535,612
Cooperation with private institutions			1,146,190
Total	604	919	41,313,838

QUESTIONS FOR THE RECORD

The CHAIRMAN. Thank you, Mr. Brown. I have a number of basic questions about your area, similar to the ones I asked Mr. Hillenbrand. If you do not object, I will ask our staff member to consult with you or your deputy, Mr. Smith, to supply for our record answers to the same. They are data about which there is little other than basic information. There are a few questions that perhaps it would be better to examine now.

STATE DEPARTMENT PERSONNEL IN CORDS PROGRAM

According to the charts supplied the committee by the Department, there were 1,903 employees of civilian agencies in South Vietnam as of December 31. Of those, 227 were State Department employees. The Washington Post reported on Monday that about 700 civilians and 1,200 military men are attached to the CORDS (Civil Operations and Rural Development Support) program in Vietnam. Are any of these people counted in the total provided by the Department?

Mr. BROWN. The Foreign Service officers who are on the CORDS program are included in those figures and I can give you the numbers involved if you would like to have them.

The CHAIRMAN. You can supply it for the record if you want to.

Mr. BROWN. Yes, sir.

(The information referred to follows:)

FOREIGN SERVICE OFFICERS ASSIGNED TO CORDS (SUPPLIED BY DEPARTMENT OF STATE)

87 Foreign Service officers are assigned to the CORDS program.

RUSSIAN AND CHINESE CIVILIANS IN NORTH VIETNAM

The CHAIRMAN. We are trying to get some comparison. Do you have any idea how many Russians or Chinese civilians there are in North Vietnam in comparable positions?

Mr. BROWN. No, sir.
Mr. CHAIRMAN. You do not?
Mr. BROWN. No, sir.

U.S. PERSONNEL IN VIETNAM BY AGENCY

The CHAIRMAN. Could you supply for the record a list of U.S. personnel in Vietnam by agency, including the military personnel, and the total estimated annual cost for keeping them there by the agency which pays their way; also the estimate for the number to be there at the end of the 1972 fiscal year?

Mr. BROWN. Yes, sir.

(The information referred to follows:)

LIST OF U.S. GOVERNMENT AGENCIES IN VIETNAM

(Showing U.S. Personnel Count in Each Agency, as of February 17, 1972)

(Supplied by Department of State)

State	[1] 227
AID:	
Direct hire	1,341
Contract	247
Subtotal	1,588
USIA	68
Agriculture	1
Justice	5
Transportation:	
CG Mil	3
U.S.	5
Subtotal	8
Treasury	4
GSA/HUD	
Interior/Labor	2
Grand total	1,903

[1] Includes 87 assigned to CORDS.

COST OF U.S. INVOLVEMENT WITH SOUTHEAST ASIAN WAR

The CHAIRMAN. Could you also give us the total cost of the U.S. involvement with the war in Southeast Asia for this fiscal year and estimates for fiscal year 1973, including the full cost of our military as well as our other aid to those countries. That is something you could supply, I believe?

Mr. BROWN. I think we could give you some reliable estimates.

(The information referred to follows:)

COST OF U.S. INVOLVEMENT IN SOUTHEAST ASIA

(Supplied by Department of State)

There are currently 97.000 military personnel in Viet-Nam. On May 1 there will be 69,000 troops in the country. The total incremental costs for supporting these troops in their current mission in FY-1972 is estimated to be 7.1 billion dollars. Incremental costs are defined as that amount of money directly attributable to the war in Indochina. In FY-1973 the total cost of the U.S. involvement with the war in Southeast Asia is estimated at 6 billion dollars.

A breakdown of costs of supporting the State Department, AID and USIA personnel in Viet-Nam for FY-1972 follows:

State Department	$2,944,000
AID	[1] 42,682,000
USIA	[2] 3,000,546

[1] Includes all dollar salaries, travel and allowances related to the employee serving in Vietnam.
[2] Includes 12 employees and $444,304 representing AID funded overseas American employees working to complete the COMMEDIA (Communications Media Program).

AID PROGRAM EXPENDITURES FOR FISCAL YEAR 1972 AND FISCAL YEAR 1973

(Dollars in millions)

	Fiscal year 1972	Fiscal year 1973 estimate
Supporting assistance	385.0	385.0
Population	.3	.3
Narcotics	.5	.5
(Public Law 480, title I)	(115.0)	(125.0)
(Public Law 480, title II)	(5.0)	(5.0)

[c]

The AID personnel complement as of June 30, 1971 was 1,491 including direct hire, and (PASA) Participating Agency Personnel assigned to USAID (762) and MACV/CORDS (729). AID's personnel ceiling as of June 30, 1972 will be 1,132 representing a net reduction of 358 over the June 30, 1971 complement.

The State Department expects to reduce its present complement by 5% by the end of FY 1972.

The USIA complement at the end of FY 1972 will be 45 representing a net reduction of 23.

Support costs for agencies having 1 to 8 people in Vietnam have not been submitted since these costs are minimal.

LARGE NUMBERS WORKING ON ADMINISTRATIVE MATTERS

The CHAIRMAN. In going over the personnel listing in the Foreign Service list I was struck by the large number of people who work on administrative matters in many posts. For example, in Thailand there are 17 attached to the political section but there are 51 people attached to the administrative section. In the Phillipines, for instance, there are only 7 in the political section and 80 in the administrative section. I had formerly thought that the political section of an embassy was perhaps one of the more important functions. Why is there such a disparity in the case of the Philippines there? It is more than ten to one.

Mr. BROWN. The reason for that, Mr. Chairman, is that in the interests of economy and efficiency the State Department provides administrative services not only for State Department officers as such but also for the representatives of other agencies in the mission. In the Philippines we are also the center of a number of regional activities, courier system and printing and that kind of thing.

The CHAIRMAN. What?

Mr. BROWN. A number of activities which service the whole region. I think, for example, the payroll system is all centered in Manila and we service the whole region from there. That is why there is such a very large administrative section there.

SUPPORTIVE SERVICES FOR PRINTING PLANT IN PHILIPPINES

The CHAIRMAN. You mentioned printing. Is that enormous propaganda printing plant there administered by State Department?

Mr. BROWN. We provide some supporting services for it.

The CHAIRMAN. You do?

Mr. BROWN. For the USIA.

The CHAIRMAN. You do? USIA pays the direct costs of that establishment?

Mr. BROWN. Yes.

The CHAIRMAN. They do? Are you reimbursed for this administrative cost for these people by USIA?

Mr. BROWN. We calculate the amount of time that these administrative people spend on the affairs of other agencies in terms of man-years. Then we are reimbursed by the other agencies for that proportion of those people's time.

The CHAIRMAN. Could you give us a list of the costs by agency for whom you do this? I think this is very interesting. I didn't know you had that. I was told it is one of the biggest printing plants in the world, printing all kinds of comic books and various kinds of propaganda which we drop all over Southeast Asia and anywhere else, I reckon. I have seen some of them. Some of them are of very dubious value. Anyway, they still do it, I take it. Is that right? They are still doing it as much as they did 10 years ago?

Mr. BROWN. The whole operation has been greatly diminished.

The CHAIRMAN. Diminished?

Mr. BROWN. Yes, sir.

The CHAIRMAN. I would hope so. I would hope that would be part of the Nixon doctrine, if it is proper to call it that. I remember seeing some of those documents that they printed there. I didn't realize that.

EXTENT AND COST OF ADMINISTRATIVE WORK FOR OTHER AGENCIES

I would be very interested if you could give us the extent of this administratively because that explains it. I couldn't imagine when I saw the enormous list there how you could possibly use 80 administrative staff in an embassy like the Philippines.

Mr. BROWN. Well, the whole purpose, sir, has been rather than have a whole set of separate administrative operations, some of which might duplicate that, we have a one central one as much as possible and, therefore, save money.

The CHAIRMAN. Thailand is a little different. You don't have any regional operation to administer in Thailand; do you?

Mr. BROWN. No, we don't.

The CHAIRMAN. Anyway, it would be very useful if you gave us a breakdown on an agency basis so we can give some comparisons of that.

(The information referred to follows:)

BREAKDOWN OF ADMINISTRATIVE SUPPORT CHARGES LEVIED TO SUPPORTED AGENCIES IN THE PHILIPPINES

(SUPPLIED BY DEPARTMENT OF STATE)

	Previous total	Change	Adjusted total	Agency concurrence in draft
1. State Basic	$275,441	$5,425	$280,866	Mr. Ready.
2. USIA–USIS	86,081	1,692	87,773	Mr. Bisbee.
3. USIA–RSC	73,947	1,460	75,407	Mr. York.
4. USIA–PRS	47,944	946	48,890	Mr. Wilkie.
5. USIA–ORS	4,348	83	4,431	Representative not at post.
6. AID	109,871	2,157	112,028	Mr. Mashburn.
7. FAS–AGR	8,222	166	8,388	Mr. Waddle.
8. DEF–MAP	12,116	232	12,348	Major Crossley.
9. DEF–USAF	25,734	514	26,248	Major Baca.
10. DEF–DAS	39,148	763	39,911	Mr. Allen.
11. PC	11,354	216	11,570	
12. FAA–AMCU	2,206	50	2,256	Mr. Whitaker.
13. AF–S&SS	11,215	216	11,431	Mr. Newhouse.
14. JUS–INS	6,912	133	7,045	Mr. Jones.
15. VA	74,331	1,460	75,791	Mr. Paulette.
16. TREAS–RDO	11,114	216	11,330	Mr. Homer.
17. TREAS–IRS	2,151	50	2,201	Mr. Provasnik.
18. Navy–OICC	5,339	100	5,439	Mr. Becker.
19. TRANS–CG MMD	3,045	66	3,111	CPO J. W. Judge.
20. TRANS–CG PS	7,325	149	7,474	Captain Hoover.
21. ABMC	1,322	33	1,355	Mr. Darby.
22. GAO	1,730	33	1,763	Mr. Lyons.
23. USADB	14,720	282	15,002	Mrs. Ray.
24. FBIS	7,435	149	7,584	Representative not at post.
Total SAS	843,051	16,591	859,642	
Regional Communication Center	241,628		241,628	
Total	1,084,679	16,591	1,101,270	

The CHAIRMAN. You don't think these other agencies impose upon you too much; do you? Are you sure you get all you desire out of them?

Mr. BROWN. There are some pretty intense arguments on that subject from time to time, Senator.

The CHAIRMAN. I hope you are holding your own.

PERSONNEL ASSIGNED TO SEATO

I noticed that $452,750 is being asked for the U.S. contribution to the SEATO organization in fiscal 1973, which is an increase of $56,416 over 1972. Do we have any personnel assigned to SEATO headquarters?

Mr. BROWN. I think we have five people.

The CHAIRMAN. In your Bureau there are five people assigned to SEATO matters or SEATO headquarters.

Mr. BROWN. SEATO headquarters.

The CHAIRMAN. How many in your Bureau are assigned to SEATO matters?

Mr. BROWN. We have an office in the Bureau which deals with regional problems and in that office there are two people who spend part-time on SEATO matters.

UNITED STATES AND OTHER MEMBERS' COSTS FOR SEATO

The CHAIRMAN. Would you give us for the record the total cost for U.S. participation in the SEATO organization. I don't know whether you were here yesterday but the Senator from Idaho was very strong in his view that it is time to terminate under the provision of

the treaty itself, the SEATO Treaty. This would be relevant to that subject. I guess we haven't heard the last of that judging from what he said yesterday. So I think it would be useful if you would give us the cost and also would you include in that what other members of SEATO contribute to the upkeep of SEATO?

Mr. BROWN. Yes, sir.

The CHAIRMAN. You have that available?

Mr. BROWN. Yes, sir.

(The information referred to follows:)

BREAKDOWN OF SEATO COSTS (SHOWING COSTS ASSESSED TO MEMBER COUNTRIES)
(SUPPLIED BY DEPARTMENT OF STATE)

Australia	$180,859.37
France	180,859.37
New Zealand	107,175.92
Pakistan	107,175.92
Philippines	107,175.92
Thailand	107,175.92
United Kingdom	214,351.84
United States	334,924.74
Grand total	$1,339,699.00

NUMBER OF PERSONNEL IN INDONESIA

The CHAIRMAN. As I recall, after the revolution in Indonesia and Sukarno's displacement, the United States adopted a policy of maintaining a low profile with only a handful of U.S. personnel at that mission. Now I notice from the chart we have 164 Americans and 232 locals, outside of the military group and the CIA. What is the reason for that?

Mr. BROWN. Of that number, 83 are State Department employees, Americans, and 93 State Department locals. And Indonesia is a very important country. It is one of the most populous in the world. It is potentially a very rich country. It is a country which has a strategic location. We have been working with other countries to help it come back from the terrible economic conditions in which it found itself after the end of the Sukarno regime. This is one of the cases I think in which the multilateral aid operation has been working with the greatest effectiveness. It is a case where the International Bank and Fund have been brought in. They have worked with the Indonesia Government to develop a program for development, a program of restraint of inflation, with proper fiscal responsibility. They have indicated what they feel is the appropriate level of outside assistance and a number of countries have joined together to provide that.

This is one of the cases, for example, in which the Japanese contribute as much to the program as we do.

ASSUMPTION SOME COUNTRIES DON'T APPRECIATE UNDUE FOREIGN INTRUSION

The CHAIRMAN. Mr. Secretary, I didn't make my point clear I guess. I agree with that. It's been working, but I remember being specific about a low profile. I thought the assumption was that some of these countries, and this would be one of them, have a very sensitive people

who don't appreciate the undue intrusion of foreigners in their country, especially, I think, people of such diverse culture and physical appearance as Americans or Europeans. It wasn't wise to have so many people in the country. I read that recently. I think it was yesterday. A writer took great issue with a suggestion made with regard to China. The writer said that we thought the Chinese were going to come begging for an aid program, this was the most foolish idea they have seen. I am not sure it is true. It made a good deal of sense to me. The Chinese are not about to seek an aid mission from America. If we want to get along with them, we have to have some respect for their own national self respect and dignity and we have to treat them as equals.

I am not suggesting that Indonesia isn't an important country, but we have a tendency, because we think our motives are good and we want to help, to rush in with enormous numbers of people. We defeat our own end.

Mr. BROWN. May I comment on that?

The CHAIRMAN. Whether it is good or not I don't know.

Mr. BROWN. May I comment on that?

The CHAIRMAN. It is an assumption about great presences. If you wish to comment on it, certainly.

Mr. BROWN. I would like to point out the facts don't justify the assumption. In Indonesia the situation is that we have 24 American officers in the Embassy in Djakarta. This is certainly a low profile for a country of that size and importance.

The CHAIRMAN. Twenty-four?

Mr. BROWN. Twenty-four.

The CHAIRMAN. Where are the 164?

Mr. BROWN. We have three in the consulate at Medan; we have 59 in the consulate in Surabaya. We have 13 clerks in those three places and we have 45 locals. So the total for there, 87 people from the State Department and I don't think, sir, that would be considered a high profile.

The CHAIRMAN. It doesn't sound that way the way you put it. In the book it sounds rather like a rather large political section; you don't include AID.

Mr. BROWN. No, sir, I was speaking of the State Department.

The CHAIRMAN. Of course, these figures cover all except the military. I assume AID is under the jurisdiction of the State Department and AID has a very large mission there. The administrative section is quite substantial too.

The way you describe it there are just two or three here and it is not the way it looks in the book. I don't know where all of these people are. These hieroglyphics here may indicate where they are stationed, but it is a very long list.

Mr. BROWN. There has certainly been no indication that the Indonesian Government felt that there was undue American presence.

The CHAIRMAN. It isn't always the government that feels. There is quite often a difference between government reaction and the reaction of the people themselves. I was under the impression we had been very careful about intruding in Indonesia in view of what happened, the very fact they resented the Chinese, as they had, apparently, at the time of the mass slaughter. There are many other stories about Asians sometimes not appreciating the presence of too many foreigners.

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INCREASE IN MILITARY AID TO INDONESIA

I noticed recently that military aid to Indonesia was increased substantially. Was this decision made by your office or in the National Security Council system? Did you have anything to do with the increase of military aid to Indonesia?

Mr. BROWN. I personally had not, but my office had.

The CHAIRMAN. What did your office have to do?

Mr. BROWN. In all of these aid programs we start by discussing them in the field with the Ambassador and the AID representatives, the military representatives. It is also considered interdepartmentally, at my level in the Department, working groups, and then goes on up to the Secretary and ultimately to the President for their decision. The pros and cons, the availability of funds, the purposes and so forth are all considered.

CAN INDONESIANS DIFFERENTIATE BETWEEN AID AND STATE DEPARTMENT PERSONNEL

The CHAIRMAN. Do you think the Indonesians can tell the difference between AID personnel and State Department employees? They all look alike to them; don't they?

Mr. BROWN. They see them working in different contexts, yes, sir.

TENDENCY OF BIG AND POWERFUL COUNTRIES TO OVERDO

The CHAIRMAN. I don't know. As we said yesterday, I think the committee and the country is pleased with the initiative the President has taken in reopening communications with China. But all big and powerful countries have a tendency very often to overdo it and to feel that they have to do a great deal more than may be appreciated by the recipient countries, especially directly and by their presence. I had thought Indonesia was one we were approaching with a low profile. As you said, it seems to be one place where multilateral cooperation has worked pretty well and it seems to me we are gradually assuming a greater and greater role there.

U.S. AND OTHER COUNTRIES' PERSONNEL AND RESOURCES IN INDONESIA

Have you the figures to give the comparison of our resources and our numbers with other countries' participation there? Are we about the same or in line or not with other countries?

Mr. BROWN. I would have to look into that on the same basis as Mr. Hillenbrand.

The CHAIRMAN. Would you put that in the record for us?

Mr. BROWN. Yes, sir.

(The information referred to follows:)

U.S. AND OTHER COUNTRIES PERSONNEL AND RESOURCES IN CAMBODIA
(SUPPLIED BY DEPARTMENT OF STATE)

The attached table provides the Department's best estimate of the figures you requested. We have included aid resources and personnel from the five largest donor countries in the Inter-Governmental Group on Indochina (IGGI). The table does not include military assistance which is primarily provided by two countries, the U.S. and Australia. (See footnotes to table for specific figures.)

The U.S. and Japan each currently contribute through the IGGI mechanism about one third of the total bilateral non-food aid requirements. The other nine member governments of the IGGI (not all of whom are shown in the table) provide the remaining amount, while international agencies now commit to Indonesia resources well beyond $100 million annually. The U.S. committed about $80 million in food aid in 1971/72 while other IGGI countries contributed $48.9 million. In view of Indonesia's increasing rice production, U.S. food aid will decline to an estimated $65 million in 1972/73 and probably lesser amounts in subsequent years.

As you will note, there are more U.S. personnel in Indonesia than are assigned there by other governments. However, it should be recognized that none of the other foreign nations monitor aid programs nearly as closely as the U.S. is obliged to do by law and regulations. Furthermore, none provide the detailed technical assistance in drawing up project agreements which we do.

In carrying out our programs in Indonesia we have made and will continue to make every effort to maintain a low profile. In this connection it may interest the Committee to know that with a program of over $200 million there are now a total of 88 aid program staff and contract personnel in Indonesia compared to a total of 335 in 1962 when our aid was considerably less.

1971/72 ASSISTANCE FROM 5 IGGI COUNTRIES AND ESTIMATED MISSION PERSONNEL FIGURES

[Dollar amounts in millions]

	Nonfood capital aid	Food aid	Technical assistance	Total economic aid	Embassy staff [1]	AID, USIS, FAS program staff [1]	Contract personnel [1]
United States	$125.0	$80.0	$7.8	[2] $212.8	107	[3] 75	32
Japan	125.0	30.0	3.25	158.25	[4] 26	56	12
Germany	36.9	1.3	5	43.2	41	0	60
Netherlands	35.0	1.6	11.5	47.7	33	0	120
United Kingdom	21.6	1.7	2	25.3	35	8	16
Australia	13.0	7.0	2	[5] 22	40	[6] 40	4

[1] These columns do not include local employees or local contract personnel.
[2] This total AID figure does not include military assistance. U.S. MAP to Indonesia in fiscal year 1971 was $16,800,000, and is estimated at $18,000,000 in fiscal year 1972.
[3] This figure does not include 33 persons assigned to the defence liaison group. In addition to this number, the average number of TDY personnel assigned to the DLG for 1971 was 44 persons for an average of 182 days length of stay each. There are also 7 persons assigned to the Naval Medical Research Unit and 1 person assigned from the Library of Congress.
[4] This figure does not include clerical support staff which is comprised largely of dependent wives of mission personnel and Japanese businessmen.
[5] Although Australian military assistance to Indonesia has been devoted mostly to training in the past, the Australian Government has recently announced plans for giving the Indonesian Government 16 F-86 jet fighters in 1973 and A$10,000,000 for training and other elements connected with this grant.
[6] 35 military assistance personnel are expected to be added late in Calendar year 1972.

Prior to our resumption of diplomatic relations with Cambodia in July 1969, there were no United States Government employees in that country. At present we have 158 authorized positions in our Embassy in Phnom Penh. Of these, 97 are military personnel and 61 are civilian. As you know, there are no U.S. combat troops or advisors in Cambodia.

The total numbers of American direct hire and contract employees in Laos on March 6, 1970, 1972, 1972 were 1040, 1225, 1239 respectively.

CONSCIOUSNESS OF INDONESIA SENSITIVITY

But I can assure you, Senator, we are very conscious of this question of the sensitivity of the Indonesians. Assistant Secretary Green, of course, was one of the first to emphasize the importance of that.

The CHAIRMAN. Now that you mention it, he is the one who said that to the committee. He came here and said we were going to do that. He is the one who said they are very sensitive and it would be very wise to keep a low profile. I had forgotten who it was until you mentioned it.

Mr. BROWN. I can assure you that the aid programs which we are operating there are not being forced upon the Indonesians but are in response to their requests. They are being staffed in the most modest possible way and certainly have not resulted in any critical comment that we are aware of either from the public or journalists or governmental sources and I think we will certainly continue that, sir. I think you are absolutely right, the importance of that attitude.

The CHAIRMAN. Yes, I remember now Mr. Green was very positive on that point. Of course, that was closer to the time of the uprising and I guess everybody was more aware of the danger of that aspect of it than they are now.

U.S. AND THIRD COUNTRY PERSONNEL IN CAMBODIA

As you know, Congress has imposed limits on United States and third country personnel in Cambodia: 200 U.S. civilians and military and 85 third country nationals. Could you tell us how many civilians we have there now and how many military?

Mr. BROWN. I know we are working very hard to keep within those limits. We have 143 Americans now in Phnom Penh. Eighty-eight of those are military personnel of whom 50 are involved in the checking of the equipment delivered under military assistance as required by the Congress. Twenty-four in the office of the Defense attaché and 11 are Marine guards.

The CHAIRMAN. One hundred and forty-three overall?

Mr. BROWN. Yes, sir.

The CHAIRMAN. Eighty-eight of whom are military?

Mr. BROWN. Yes, sir.

The CHAIRMAN. And how many third country nationals?

Mr. BROWN. Third country nationals. Fifty-two.

The CHAIRMAN. How many military on temporary duty?

Mr. BROWN. From time to time there may be between 20 and 30.

The CHAIRMAN. How many foreign service officers?

Mr. BROWN. Ten.

The CHAIRMAN. Ten.

Mr. BROWN. Ten, yes sir.

VETO POWER OVER SENDING MORE MILITARY PERSONNEL TO CAMBODIA

The CHAIRMAN. Do you have a veto power over the proposal to send more military personnel to Cambodia or not?

Mr. BROWN. As I understand it, if there is any proposal for additional personnel not only in Cambodia but in other places as well, it is first discussed with the Ambassador by the agency which wants to have additional personnel, and they either agree or disagree. If the recommendation is that it should be increased, that is then brought before a committee chaired by the Under Secretary of State and involving the different agencies interested. They vote on each application for an increase and make the decision whether to approve it or not.

CEILING ON FOREIGN AID TO CAMBODIA AND PROPOSED EXPENDITURES

The CHAIRMAN. Is it not a fact that the legislation recently passed on foreign aid involving Cambodia requires there be a ceiling on the amount to be spent in Cambodia and are you preparing to inform the committee how much you plan to spend in Cambodia next year, which I believe is required by the law?

Mr. BROWN. We are fulfilling the requirements of the law, observing the ceiling and its other requirements.

The CHAIRMAN. When will you be prepared to tell the committee how much you plan to spend in Cambodia next year?

Mr. BROWN. I don't know, sir. I will find out for you.

The CHAIRMAN. I believe you are required to do that, too; aren't you?

Mr. BROWN. I will get you the answer to that question.

The CHAIRMAN. I think you are. I will look forward to receiving it in the future. That was one of the few provisions, I think, that survived the conference.

(The information referred to follows:)

PROPOSED EXPENDITURES IN CAMBODIA, FY 1973
(SUPPLIED BY DEPARTMENT OF STATE)

The Department of State will spend approximately $670,774 in Cambodia in FY–1973.

I have a question on the Philippines and one on Korea.

I believe, Mr. Secretary, that is the essence of what we wish to receive from you, unless you have anything you would like to tell us that I have overlooked? You know, as we have been told before, we often don't ask the right questions because we don't know enough to ask them.

Can you think of some important issue about which I had not inquired that I should have inquired and would you then volunteer the answer.

Mr. BROWN. I think you very rarely overlook important issues.

The CHAIRMAN. Oh, no, I can't ask you about something I don't know anything about that is going on. If you have anything we would be delighted for you to volunteer it at this time.

Mr. BROWN. I think not; thank you.

The CHAIRMAN. You don't have it.

Mr. Smith, do you have anything you would like to volunteer?

Mr. SMITH. No, sir.

The CHAIRMAN. You know this is a new experience. We all ought to relax and get used to it. It's going to take place more than once, you know, this getting acquainted. We have never, since I have been here, gone over the budget with the State Department before, but you have been very helpful and very cooperative this morning and I hope we will both profit by the experience. Thank you very much.

We will reconvene, as you know, at 2:30, with Mr. Meyer.

(Whereupon, at 12:50 p.m., the committee was recessed, to reconvene at 2:30 p.m. of the same day.)

AFTERNOON SESSION

The CHAIRMAN. The committee will come to order. I am sorry to be late, but we had some visitors over there and I had to take time to see them.

Our first witness this afternoon is Mr. Charles A. Meyer, the Assistant Secretary for Inter-American Affairs, accompanied by Mr. Earl L. Livingstone.

Mr. Meyer, we are very pleased to have you and do you have a statement you care to submit?

STATEMENT OF CHARLES A. MEYER, ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS, ACCOMPANIED BY EARL L. LIVINGSTONE, EXECUTIVE DIRECTOR

Mr. MEYER. I do, Mr. Chairman. I am delighted to be here, and I will leave it to you, sir, whether you prefer to have me read the statement or submit it.

The CHAIRMAN. I think you should decide whether you should put it in and summarize it. I will leave that up to you, since it is your statement. I haven't read it yet.

Mr. MEYER. All right, I will read it, with your permission.

The CHAIRMAN. All right.

PRESIDENT'S NEW POLICY

Mr. MEYER. Mr. Chairman and members of the committee, in October 1969, President Nixon set the United States on a new course in its relations with the nations of Latin America and the Caribbean. The President said that henceforth his Administration would strive for a more balanced relationship between the United States and the nations of Latin America. He said that to achieve this objective the United States would relinquish its tutelary role in hemisphere affairs and encourage a broader sharing of responsibilities and initiatives within the inter-American community.

In setting forth this new policy in response to the swift pace of change in the hemisphere, President Nixon reaffirmed the United States commitment to assist Latin America's economic and social development programs—increasingly through multilateral agencies—and pledged support for Latin America's widening efforts to expand trade. In the political sphere, the President emphasized that the United States would recognize diversity in the hemisphere and deal realistically with governments as they are. He also underscored our continuing commitment to the compacts that bind us in the inter-American system.

BUREAU'S ROLE IN ANNOUNCED POLICY

The Bureau of Inter-American Affairs (ARA) played a major role in the development of the policy announced by the President in 1969 and has since carried the primary responsibility within the Department of State for executing the policy. The Bureau discharges the dual

responsibilities of contributing to the formulation of policy and carrying out policy by engaging in a variety of activities.

One of the principal functions is to coordinate the activities of other U.S. Government agencies in Latin America. In Washington, this coordination is carried out largely within the NSC Interdepartmental Group for Inter-American Affairs of which I am the executive chairman. The bureau also provides both policy guidance and administrative support for our overseas posts, which conduct our business, that is, carry out the government's policy, in Latin America. The posts gather and interpret political and economic information of significance to U.S. interests and maintain active contact with key representatives of all important segments of society. They also conduct negotiations, promote U.S. commercial interests, and discharge statutory consular functions in the countries to which they are accredited.

Just as the foreign ministries provide an important point of contract for our embassies abroad, the bureau serves as the chief point of contact with the United States Government for Latin American embassies in Washington. The bureau also receives and evaluates reports received from our overseas missions and, in coordination with other interested agencies, recommends appropriate U.S. Government actions, which may relate to the conduct of routine business, evolution of longer-term policy or our response to developing crises.

ATYPICAL ACTIVITIES DISTINGUISHING BUREAU

Turning to atypical activities that distinguish this bureau, as Coordinator for the Alliance for Progress, I head a unique combined bureau that embraces both State Department and AID. The bureau maps regional development assistance programs, approves bilateral agreements and loans, prepares the annual Latin American AID budget justification to the Congress and apportions available resources. It also monitors the progress and adequacy of ongoing programs and maintains liaison with other offices of both State and AID, multilateral organizations, officials of recipient countries and the press.

The Permanent Mission of the United States to the Organization of American States (USOAS) and the Office of the Special Representative of the United States for Inter-Oceanic Canal Negotiations are two additional distinctive components of the bureau. The U.S. Permanent Representative to the OAS heads the USOAS and serves as the U.S. Representative on the Permanent Council of the OAS and as the U.S. member of the Executive Committee of the Inter-American Educational, Scientific and Cultural Council. Subject to my guidance, he is responsible for the execution of U.S. policies concerning the Inter-American System. A highranking member of USOAS also serves as the U.S. member of the Inter-American Committee for the Alliance for Progress.

The Special Representative of the United States for Inter-Oceanic Canal Negotiations represents the U.S. Government in the negotiations with the Republic of Panama for a new treaty on the Panama Canal. He also maintains liaison with other U.S. Government Agencies and the private sector concerning the negotiations, and at the policy-

making level works directly with the White House, Department of State and Department of Defense.

Among my own special responsibilities, I serve as a member of the Panama Canal Company Board and the Inter-American Foundation.

FUNDING REQUIRED

With regard to funding required for carrying out the bureau's diverse activities, ARA is requesting $27,869,200 in fiscal year 1973 under the major function, "Administration of Foreign Affairs." This amount includes American salaries and all direct operating expenses of the Bureau, both overseas and domestic. There are 154 domestic and 680 overseas American positions and 891 direct hire local employee positions at 50 posts in 27 countries. These consist of 23 embassies, 12 consulates general, 11 consulates, 3 consular agencies and 1 political advisor.

The total figure cited represents an increase of $713,000 over fiscal year 1972. The net increase reflects wage increases, higher overseas prices, within-grade salary increases of American and foreign national employees, security protection for overseas personnel and additional costs for consular positions that were authorized in fiscal year 1972. The projected expenditures have been decreased by $185,000 because of the recent currency devaluation and because there will be two fewer workdays in 1973.

I have with me copies of a fiscal year 1973 Budget Summary which provides a more detailed explanation of proposed expenditures. I will be pleased to make it available to you and the members of the Committee.

Thank you.

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau of Inter-American affairs:)

BUREAU OF INTER-AMERICAN AFFAIRS—SUMMARY, DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	835	$14,323,551	834	$14,365,688	834	$14,365,688	.....	.....
Estimated net cost of permanent American employment (central American salary account) [1]	.....	15,756,145	.....	16,183,700	.....	16,176,100	.....	−$7,600
Operating expense funds managed by this office [2]	.....	10,434,400	.....	10,972,500	.....	11,693,100	.....	+720,600
Total	.....	26,190,545	.....	27,156,200	.....	27,869,200	.....	+713,000

EXPLANATION OF DECREASES AND INCREASES	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decreases:						
Extra day's pay	.....	−$122,400	11	.....	−$31,200	18
Currency devaluations	.....	.....	.....	.....	−31,400	119
Total decreases	.....	−122,400	.....	.....	−62,600	.....
Increases:						
Annualization:						
New positions in 1972	.....	+21,000	11	.....	+22,800	119
1972 local wage increases	.....	.....	.....	.....	+112,000	18
Within-grade salary increases	.....	+93,800	11	.....	+45,400	19
Local employee wage increases 1973	.....	.....	.....	.....	+252,000	119
Price increases	.....	.....	.....	.....	+251,000	121
Improved support	.....	.....	.....	.....	+100,000	122
Total increases	.....	+114,800	.....	.....	+783,200	.....
Net increase/decrease	.....	−7,600	.....	.....	+720,600	.....

[1] In addition to salary costs includes retirement, health benefit, and life insurance contributions; terminal leave; hardship post differential; and similar costs.

[2] Includes salaries for local positions: 1971—881; 1972—891; 1973—891.

Note: Total positions (Americans and locals): 1971—1716; 1972—1725; 1973—1725.

BUREAU OF INTER-AMERICAN AFFAIRS—FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY

	Americans	Locals	Amount
Argentina	38	43	$2,044,594
Bahamas	9	12	455,448
Barbados	10	13	411,555
Bolivia	19	20	1,028,874
Brazil	71	96	4,425,168
British Honduras	5	7	208,400
Chile	26	24	1,312,132
Colombia	37	43	1,692,327
Costa Rica	16	21	207,789
Cuba			38,000
Dominican Republic	32	70	1,622,593
Ecuador	29	27	1,191,689
El Salvador	18	19	618,203
Guatemala	21	18	1,272,630
Guyana	9	9	399,949
Haiti	17	30	638,050
Honduras	16	18	749,607
Jamaica	21	32	804,058
Mexico	131	230	5,337,580
Netherlands Antilles	6	7	223,949
Nicaragua	14	18	576,172
Panama	25	22	1,100,692
Paraguay	13	17	542,293
Peru	28	28	1,613,309
Surinam	5	5	195,597
Trinidad	13	18	586,531
Uruguay	20	17	877,619
Venezuela	35	36	1,835,730
Regional			274,156
Cooperation with private institutions			100,000
Total	684	900	32,879,694

The CHAIRMAN. Thank you very much, Mr. Secretary. I think that is a very concise and informative statement.

PREPARATION OF ANNUAL LATIN AMERICAN AID BUDGET JUSTIFICATION

You say you prepared the annual Latin American AID budget justification. I didn't realize that. I thought AID prepared it.

Mr. MEYER. In our bureau, Mr. Chairman, the AID bureau director has a bilateral reporting responsibility or a two-way reporting responsibility, one to the Administrator of AID and collaterally to me. We jointly prepare it.

ADAMANCY OF ATTITUDE TOWARD CUBA

The CHAIRMAN. Before I go on to the more detailed aspect of the housekeeping, I am prompted by your comment that the President emphasized we recognize diversity in the hemisphere and that we should deal realistically with the governments as they are.

It prompts me to ask you once more why we are so adamant in our attitude toward Cuba, to the point where your Department opposes a very mild resolution that I introduced simply calling for a review of our policy toward Cuba, which I thought was a very innocuous way to approach it.

It doesn't seem to me that that is quite consistent with the President's idea of recognizing diversity and dealing realistically with the governments as they are, because there is no doubt that the government is there.

I may say by way of background I became interested in this because of the hijacking legislation, which it struck me was rather superficial unless we did something with regard to Cuba. Have you any comment to make upon our present attitude toward Cuba? Is there any change at all since the last time we discussed this matter?

Mr. MEYER. No, sir; and I would like to call attention to the followup sentence, in which I referred to the Presidential policy:

He also underscored our continuing commitments through the compacts that bind us in the Inter-American system.

You will recall, Mr. Chairman, that we are still convinced that the cause for action agaist Cuba which was in 1964 has not yet disappeared.

I would like, if I may, to read, and I apologize if I am redundant, the President's Report to the Congress of February 9th:

Regrettably, Cuba has not abandoned its promotion of subversive violence. There has been some moderation of its rhetoric and more selectivity in its approach to exporting revolution, but these seem to be only a shift in tactics prompted by the consistent failure of its domestic policy and revolutionary adventures.

Cuba continues to furnish money, weapons, training, and ideological leadership to revolutionaries and terrorist groups. Similarly, Cuba has increased, not diminished, its military ties with the USSR—its receipt of arms and provision of facilities—and thus invited a permanent Soviet military presence into the hemisphere.

Cuba isolates itself by these policies, which are an obvious and direct threat to the rest of the community. The United States will consider supporting a change in the OAS sanctions against Cuba only when the evidence demonstrates a real change in Cuba's policy.

The CHAIRMAN. You refer to our continuing commitments through compacts that bind us. A resolution to review our policy is not the equivalent of a renunciation of existing treaty obligations, such as they are. I don't think that is particularly answered.

For the purpose of the record, I will put in a statement I made on visas for Cuba, on page S 3512 of the Congressional Record, I think it bears upon this matter.

[From the Congressional Record, Mar. 7, 1972]

VISAS FOR FOUR CUBANS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that there be printed in the Record at the conclusion of my remarks correspondence which I have had with Mr. Michael Meyerson of American Documentary Films and with the Department of State concerning visas for four Cubans to attend a Cuban film festival in New York, March 24 to April 2.

It will be noted that the State Department has denied the Cubans' applications for visas. This strikes me as a particularly shortsighted policy. The distinguished majority and minority leaders of the Senate are planning a trip to Communist China. President Nixon and Prime Minister Chou En-lai have agreed to encourage cultural exchanges. This presumably means that the State Department will be issuing visas to Chinese Communist film makers.

I do not understand what there is about the Cubans which makes them so dangerous to the security of the United States when the State Department is apparently not concerned about the Chinese.

This is only one more in a long series of episodes which indicates to me that the State Department's policy toward Cuba should be thoroughly reviewed.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

DEPARTMENT OF STATE,
Washington, D.C., March 1, 1972.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR SENATOR FULBRIGHT: I refer to your letter of February 18, 1972 in which you requested that I furnish you with the current status of visa applications made by the Embassy of Czechoslovakia on behalf of four Cubans who wish to attend a film festival scheduled to be held in New York City.

On February 18 the Department formally advised the Embassy of Czechoslovakia, which represents Cuban interests in the United States, that visas for these four Cubans would not be authorized. This decision was consistent with our established practice concerning the admission to this country of persons representing Cuba in an official or unofficial capacity. We authorize the issuance of visas to Cubans representing Cuba on business connected with the United Nations or other intergovernmental organizations in which Cuba is a member. In addition, visas are often issued to private Cuban individuals in urgent need of medical treatment in this country. However, consonant with the Organization of American States policy of isolating Cuba, visas are not normally granted to Cubans representing Cuba wishing to come to this country for other purposes.

I hope that this information has been responsive to your inquiry. However, if you have any further questions please let us know.

Sincerely,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

AMERICAN DOCUMENTARY FILMS,
New York, N.Y., February 14, 1972.

On January 13 of this year, four Cuban filmmakers—Santiago Alvarez, Alfredo Guevara, Saul Yelen and Jorge Fraga—applied for visas to the United States, via the Czechoslovakian Embassy in Washington, which watches over Cuban interests in this country. The filmmakers applied to come to the First U.S. Festival of Cuban Films, to be held at the Olympia Theatre in New York City, March 24, to April 2. The Festival is being organized by the Cuban Film Festival Committee together with American Documentary Films, a non-profit media organization with offices in New York and San Francisco. Also participating in the Festival are the Museum of Modern Art in New York, and that city's educational television station, WNET.

American Documentary Films has received the support of dozens of influential film personalities, critics, and technicians in its attempt to secure visas for the four invited Cubans. Cuban cinema has developed a reputation abroad as one of the most exciting innovative and substantial in the world, after only 13 years of development. Among film people in the U.S. the reputation is much deserved, as these signatures serve to indicate. "The unofficial cultural blockade of Cuba by the U.S. government has not served to harm Cuba so much as the American people, at whom it is also aimed," said Michael Myerson, International Director of ADF and coordinator of the Festival.

Today, three representatives of ADF and the Cuban Film Festival Committee—Myerson, Rodi Broullion of the Third World Cinema Group, and Sandra Levinson, New York po'itical science professor—visited the State Department, together with Michael Webb of the American Film Institute, to ascertain the Department's response to the visa application, to present the supporting petitions and to press for a speedy decision.

"The granting of the visas is the only decision that can be viable today, as the President is about to depart for a visit to the People's Republic of China, against whom there has been a similar blockade for 20 years," said Myerson. Failure to give the visas without delay, he said, is only a subterfuge for continual cold war in the hemisphere and should be investigated by Congress. Plans by the Committee and ADF in the face of rejection by the State Department, include bringing the matter before the Senate Foreign Relations Committee. Plans for the Festival in New York City, meanwhile, continue to go ahead. And, Myerson announced, ADF will be bringing the Festival to other U.S. cities.

Among the producers, directors, critics, teachers, actors and actresses and technicians who support the visa applications of the Cuban filmmakers to attend the First U.S. Festival of Cuban Films are:

Don Pennebaker, Jane Fonda, Jack Willis (Director, WNET N.Y.), Herbert Berghoff, David Bienstock (Whitney Museum), Vincent Canby (N.C. Times), Emile de Antonio.

Ossie Davis, Geraldine Page, Ruby Dee, Faye Dunaway, Jules Feiffer, Barbara Harris, Stanley Kauffman (New Republic).

Saul Landau, Richard Leacock, Dwight MacDonald, Country Joe MacDonald, Burgess Meredith, David Maysles, Norman Mailer.

Jonas Mekas, Arthur Miller, Estelle Parsons, Otto Preminger, Richard Schickel (Life Magazine), John Simon (New York Magazine), Susan Sontag.

Willard Van Dyke (Museum of Modern Art), Amos Vogel, John Lennon, Yoko Ono, Thomas Brandon, Alvah Bessie, Harvey Richards.

Gary Crowdus (Cineaste magazine), Alan Myerson, Shirley Clarke, Don Lenzer, Prof. Standish Lawder (Yale Univ.), Lee Lockwood.

Prof. Leo Hurwitz (NYU), Prof. George Stoney (NYU), Penny Bernstein (WNET NY), Catherine Clark (WNET NY), Alan Levin (WNET NY), Pete Seeger, Prof. Margot Kernan (Antioch), Rafael Abramovitz.

FEBRUARY 18, 1972.

Hon. DAVID ABSHIRE,
Assistant Secretary for Congressional Relations, Department of State, Washington, D.C.

DEAR MR. ABSHIRE: The attached press release indicates that the Department of State has under consideration visa applications for four Cubans who wish to attend a film festival which is scheduled to be held in New York City.

It would be appreciated if you would furnish me with the current status of these applications at your earliest convenience.

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

AMERICAN DOCUMENTARY FILMS,
New York, N.Y., February 17, 1972.

Hon. WILLIAM FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: Enclosed is some promotional material containing information on the upcoming First United States Festival of Cuban Films, to be held in New York from March 24 to April 2, under our sponsorship and with the cooperation of the Museum of Modern Art and WNET (Channel 13), New York's educational television station.

All of the Ambassadors to the United Nations have been invited to attend the opening, and several have already accepted. We would be honored if you could also attend.

As part of the Festival activities, we have invited four leading Cuban filmmakers—Alfredo Guevara, Santiago Alvarez, Jorge Fraga and Saul Yelen—to attend the Festival.

Leading universities, such as NYU, Yale, Antioch and others, have asked that the Cubans be allowed to conduct film seminars during their stay. Numerous film personalities, critics, distributors and others—including Vincent Canby of the New York Times, Richard Schickel of Life, Otto Preminger and Burgess Meredith (a more complete list is attached) have petitioned the State Department to expedite the visas.

The visa applications were submitted through the Czechoslovakian Embassy in Washington on January 13. On a visit to Mr. James Kiley, head of the Visa Section of the State Department, on February 14, I was told that the visas are still being processed. Mr. Kiley admitted that this was an unusually long time for processing, but declined to indicate what is involved, or to give any explanation for the delay.

Of course I don't need to point out to you that this is a cultural event. Similar Cuban film festivals have been held, to great critical acclaim and audience response, in Stockholm, Berlin, Paris, and last year in London at the National Film Theatre under the sponsorship of the British Film Institute. The American Film Institute in Washington and numerous universities and film organizations have requested that we send the Festival to other cities after New York. This interest is based not on political partisanship but on the high artistic reputation of these films.

But our fear is that the State Department will treat this matter politically and deny the visas. We call upon you to help us obtain the visas for these Cuban filmmakers.

Please call me at the New York number (on page one) if you have any questions. We would appreciate a copy of any correspondence you might make in this regard. We are also appealing to Senators Kennedy, Church, Javits and McGovern, and to Mayor Lindsay.

Thanking you sincerely for your consideration of this matter, I am

Respectfully yours,

MICHAEL MYERSON,
Coordinator, Cuban Film Festival.

AMERICAN DOCUMENTARY FILMS,
New York, N.Y., February 15, 1972.

FIRST U.S. FESTIVAL OF CUBAN FILMS TO BE HELD IN NEW YORK IN MARCH

The First U.S. Festival of Cuban Films will be held March 24–April 2 at Manhattan's Olympia Theatre, according to American Documentary Films, the Festival organizer. Similar festivals have been held in recent years in London, Paris, Berlin, and other world capitals. The featured films and documentaries have captured numerous awards and critical acclaim around the world. This will be the first opportunity for a U.S. audience to view these films. Because they are not going into regular showcase theatres, the Festival may be the only chance for New Yorkers to see them.

Feature films at the Festival include the following prize winners: "Lucia", a triology of women's tales at different points in history—1969, 1932, and the present; "Days of Water", Cuba's first color extravaganza about the effects of mysticism and superstition on the old Cuba; "Memories of Underdevelopment", a study of the difficulties of a middle-class intellectual in adjusting to the new revolutionary society; "Manuela", the story of a young woman who joins the guerrillas with vengeance in her heart when her mother is slain by Batista soldiers; "First Charge of the Machete", about the Cuban peasantry who, armed only with machetes, fought against Spain the first war of Independence; "Third World, Third World War", a feature-length documentary about the significance of the Indochina War for the people of the world; and "The Adventure of Juan Quin", an adventure film which follows the trials of an innovative peasant who assumes many disguises and roles in the struggle to make his own way. Each feature will be accompanied by a short, and a special program of only short films will also be shown. The Cuban documentary form has become known as the most imaginative and creative cinema of its kind.

American Documentary Films also announces that a series of special afternoon programs of documentary films, seminars and discussions is being planned throughout the 10-day Festival. Four leading Cuban filmmakers have been invited to attend, but their visas have not yet been granted by the State Department. The final afternoon program will be announced pending the outcome of the visa request. The visa application is being supported by dozens of leading film personalities and critics, including Otto Preminger, Jane Fonda, Faye Dunaway, Vincent Canby, Ossie Davis, Burgess Meredith, Geraldine Page, Rip Torn, Jules Feiffer, Estelle Parsons and Stanley Kauffman.

All seats for the 23 performances at the Festival will cost $3.00. Special group rates are available, as is an 8-performance series ticket for $20.00. For ticket and other information, call 799–7466 or 674–3654.

Other activities related to the Festival are being developed by the Museum of Modern Art and by WNET (Channel 13). American Documentary Films hopes to rotate the Festival to other U.S. cities following the New York series.

IRRELEVANCY OF ATTITUDE TOWARD CUBA

The CHAIRMAN. I again think this is irrelevant because of the rather dramatic change in the President's attitude toward China.

It wasn't very long ago we were told the Chinese were the more important influence in Cuba, more so even than Russia, although I think they have dropped that now.

I don't really wish to belabor the matter, although I really think that we are for some reason unusually rigid toward Cuba. I am very thankful we are more understanding and forthcoming with regard to China.

It really puzzles me and I think it puzzles a number of people. I don't know anything the Chinese have done to change so much or to change in any way their attitude from the time when the Secretary of State of the United States was saying she was aggressive and that the war in Vietnam was justified as a means of containing an aggressive China.

As far as I know, the Chinese go right along acting about like they did then. I don't see any great difference in what the Chinese do or say, between then and now, and what the Cubans did or said then and do and say now.

As a matter of fact, I haven't heard of anything, in the press at least, that the Cubans have done comparable to what they once were accused of doing. I mean I have no contrary evidence. They sent arms and men into Venezuela. That was, I think, a very serious matter. If there is anything going on at a significant level now, I haven't been made aware of it.

That was brought up as a matter of policy, prompted by your own statement, but I take it that this Department is not changing its mind.

EXECUTIVE BRANCH CONSIDERATION OF MATTERS LIKE S. RES. 160

I would like to ask one question: Is a matter like S. Res. 160, which calls upon the President to normalize relations with Cuba, considered by the National Security Council? Or does it settle at the State Department level?

Mr. MEYER. Excuse me, Mr. Chairman, S. 160?

The CHAIRMAN. S. Res. 160 calls on the President to take steps to normalize relations with Cuba, as he is now doing toward China. I understand you oppose this.

Mr. MEYER. Yes, sir.

The CHAIRMAN. You have also declined to take a position, against a resolution to repeal the Cuban resolution. I was only asking if this has been considered in the National Security Council?

Mr. MEYER. Specifically, I don't know, Mr. Chairman. It would go through my bureau in any case.

The CHAIRMAN. It has never gone beyond your bureau, to your knowledge?

Mr. MEYER. To my knowledge it has not.

The CHAIRMAN. If it did go through your bureau and if you did, say, recommend it, would it then go to the National Security Council?

Mr. MEYER. I believe it would, yes, sir.

The CHAIRMAN. So that particular decision on that legislation may or may not be considered a coordinated decision of the executive branch; is that right?

Mr. MEYER. Well, let me say, Mr. Chairman, that you asked a specific question of that resolution, and I answered specifically that question. Now, the policy is coordinated and that is why I read to you, possibly redundantly, the President's words on the foreign policy presentation last month.

The CHAIRMAN. The Cuban matter is a little bit aside from the immediate problem.

Let me ask you a few things specifically on some of the countries.

NUMBER OF EMPLOYEES IN NASSAU AND DOMINICAN REPUBLIC

Like this morning, I am interested in the distribution of people. You have, I notice, 21 employees in Nassau and you have 102 in the Dominican Republic. Why so many in the Dominican Republic, or in Nassau, for that matter? Nassau is, as I recall it, a very small island and 21 would seem to be very large for Nassau.

Mr. MEYER. If I may, Mr. Chairman, the presence in Nassau is nine U.S. and twelve foreign nationals in State.

The CHAIRMAN. What goes on in Nassau that would warrant such a large number of Americans, especially since Mr. Howard Hughes is not there any more? Do you think you can reduce it now?

Mr. MEYER. I don't think he fell under the non-immigrant visa burden. Nassau has one of the largest non-immigrant visa volumes in the bureau, which necessitates the present level of staffing.

The CHAIRMAN. In Nassau?

Mr. MEYER. That is correct.

The CHAIRMAN. I don't understand what the function is. Do you mean immigrants from Nassau?

Mr. MEYER. Non-immigrant visa applications and issuance.

The CHAIRMAN. Americans going to Nassau? You don't mean natives of Nassau coming to the United States?

Mr. MEYER. Yes, also a substantial number of third country nationals. There was a case load last year, that is, applications both granted or denied, of twenty-nine and a half thousand in Nassau, which places it nineteenth in worldwide volume. In fiscal 1969 there were 16,580. That represents about 8,100 man hours in the consular section.

The CHAIRMAN. What is the indigenous population of Nassau?

Mr. MEYER. 160,000 people.

The CHAIRMAN. They are still a part of the British Commonwealth; are they not?

Mr. MEYER. Yes.

The CHAIRMAN. It is very interesting.

What about the Dominican Republic? Why is that of such overwhelming importance?

Mr. MEYER. We have 102 direct employees in the Dominican Republic, 70 locals and 32 Americans.

It is interesting that you should ask about the Dominican Republic, Mr. Chairman. Mr. Livingstone and I agree that this particular embassy should be examined job category by job category. There has been a constant reduction from the peak in 1966 of, as I recall, well over 200, but I wasn't here then and I just went back in history to see what the reduction process has been, and we are still examining it.

It might be mentioned, incidentally, that the Dominican Republic has an extremely large visa workload. For non-immigrant visas, it ranks seventh on a worldwide basis and fifth for immigrant visas.

But the specific job breakdown, if you wish, I can get for you, I don't have it in front of me.

The CHAIRMAN. I have, of course, the book and there is an enormous list of AID personnel there. I haven't counted them, but it looked like there must be 30 or 40 AID people there.

Mr. MEYER. There are 41 direct U.S., 59 foreign nationals direct hire, and a total of nearly 100 on contract.

The CHAIRMAN. To me this really looks excessive for a small country like that. What is the reason for it?

Mr. MEYER. A considerable amount of AID has been in the program for the Dominican Republic after 1965 and the AID families abroad in a very real sense is a reflection of volumetrics. That is to say that once a program is launched, project directors, project personnel, are in a very real sense required, at least by our responsibilities to the Congress, for almost the duration of the project.

The CHAIRMAN. Responsibilities to the Congress? Do you think the Congress initiated the AID program in the Dominican Republic?

Mr. MEYER. No, sir. But I mean when the responsibility we have for accountability when a program is launched.

U.S. INTEREST IN GIVING EMPHASIS TO DOMINICAN REPUBLIC

The CHAIRMAN. Could you indicate briefly what the interest of the United States is in giving such emphasis to the Dominican Republic?

Mr. MEYER. The interest of giving such infrastructure?

The CHAIRMAN. Giving so much attention, so much manpower and money to the Dominican Republic. What interest does the United States have?

Mr. MEYER. As a short answer, the interest that followed most of our AID lending, which either was at one time a program loan and now becomes more increasingly secular lending to build or rebuild, education, agriculture, those two particular fields.

The CHAIRMAN. I can understand that being the interest of the Dominicans. What is the interest of the United States in doing that?

Mr. MEYER. To keep, to rebuild the economy after the revolution.

The CHAIRMAN. We didn't destroy the economy.

Mr. MEYER. No, sir.

DISTINCTION BETWEEN AID TO HAITI AND DOMINICAN REPUBLIC

The CHAIRMAN. There are a lot of other countries. It seems to me there ought always to be some ascertainable reason why you pick on a particular country to give it special attention, an unusual amount of money and personnel. How do you distinguish this from any other island down there—Haiti, for example? You have Haiti. Do you do much in Haiti? You have 17 people in Haiti. In fact, Haiti shares the same island with the Dominican Republic; doesn't it?

Mr. MEYER. Yes, sir; and there has been no direct aid to Haiti for several years.

The CHAIRMAN. Why not?

Mr. MEYER. This goes back—and I will quote from my knowledge, first taking the Dominican Republic.

Post-1965 it was the policy of the government to assist the Dominican Republic to stabilize its economy. In Haiti, over the years, it is my understanding that the problem of economic assistance to Haiti was one of absorptive capacity. Over a period of years it appears to have been experience of the Government of the United States that

there was not, there was really no inventory of viable projects which Haiti could absorb.

The CHAIRMAN. Am I to understand that if they could have thought of something to do with the money, you would have given it to them?

Mr. MEYER. Excuse me, sir?

The CHAIRMAN. Would the conclusion be that if they could have thought of something to use the money for, you would have given it to them?

Mr. MEYER. In Haiti?

The CHAIRMAN. Yes.

Mr. MEYER. I think it would be fair to say in Haiti's economy, if there were projects which had been developed and viable, that we would have been sympathetic to an AID program in Haiti, but the history didn't prove that.

RATIONALE FOR AID PROGRAMS

The CHAIRMAN. Mr. Meyer, maybe I am clear off the track. As you know, these hearings are a new undertaking by this committee.

Mr. MEYER. Yes, sir.

The CHAIRMAN. As far as I know, this has never been done since I have been on the committee and certainly not in this fashion. I hope I am not appearing contentious and I hope I am not trying to be. I am trying to establish a procedure to examine the rationale for certain projects or programs.

As an example, when you approach a country, is there some interest of the United States to be served? Do we try to find one and to say this is what is in our interests and, therefore, we are willing to send so many men and women down there, as we have done here, and spend so much money? Or are we today carrying on because it was done before? What is the explanation?

What I am trying to draw out of you is what I would call a justification for this item in your budget.

What interests do we have to do this, other than that we have done it in the past? Is there any continuing interest that you know of that would justify this budgetary request? This is not AID. This is your administration?

Mr. MEYER. That is right.

The CHAIRMAN. What I am trying to develop, I guess, is a reexamination of the justification for these programs. Here are two countries side by side, on the same island. To one we give very substantial amounts and we devote a lot of attention and a lot of personnel. For the other one we do much less. If it is humanitarian aid, Haiti probably needs it much more than the Dominican Republic; doesn't it? It is in worse economic condition than any of those islands; isn't it?

Mr. MEYER. It is the lowest per capita income in the Western Hemisphere.

The CHAIRMAN. Is there some strategic interest that we are defending? If so, what is it?

Mr. MEYER. It is not strategic.

The CHAIRMAN. I am in a most awkward way trying to find out what it is.

Mr. MEYER. Let me—the whole thrust of AID in the hemisphere, certainly as of 1961, with the launching of the Alliance of Progress, has been a thrust to arrive at developmental projects in which we could be of assistance and which were, I have used the word "viable," doable in the recipient nation.

None of this, Mr. Chairman—I will get to Haiti in a minute—none of this is set in concrete. There is a fluctuation of AID levels as to countries, as the economy and development of countries vary.

For example, Argentina no longer is an AID recipient. There is flexibility. Programs change. Necessities change, but in specific reference to Haiti, I would reaffirm that over a period that anteceded my involvement, the history of lending in Haiti resulted, did not, I will put it negatively, did not develop and specific results and in short it was not arable soil for foreign economic assistance.

CRITERIA FOR ECONOMIC AID

The CHAIRMAN. Am I to understand that the criterion for economic assistance is, as you said, "doable"?

Mr. MEYER. That is one.

The CHAIRMAN. What is another one?

Mr. MEYER. The fact that the host country would like the assistance.

The CHAIRMAN. That the host country would like the assistance. What is another one?

Mr. MEYER. Also, our own combination enlightened self-interest and perhaps pure interest.

EXAMPLE OF MEXICO

For example, Mexico has received relatively little aid. She never wanted to become dependent on aid.

The CHAIRMAN. That is odd; yet there are plenty of doable things there, I suppose.

Mr. MEYER. That is right.

The CHAIRMAN. It is rather odd. But our relations with Mexico have been better than they have been with anybody in Latin America; haven't they?

Mr. MEYER. For years.

The CHAIRMAN. Is there any lesson to be drawn from that?

Mr. MEYER. I agonize over it, but I wish I could say there was a concrete one, but I don't——

The CHAIRMAN. I have often thought of it myself and it has been a rather persuasive element in my conclusion that there are very grave doubts about the usefulness of much of this program. They not only don't want aid, but I don't believe they allow American corporations to own a majority of their indigenous business. Do they?

Mr. MEYER. In Mexico?

The CHAIRMAN. Yes.

Mr. MEYER. In all the years I have known Mexico, the law of Mexico has stipulated a proportion of national ownership at least fifty-fifty, but it is an item that is applied by the Mexicans with enormous pragmatic skill in terms of investment by investment.

The CHAIRMAN. I thought it was 51 percent. But fifty-fifty, anyway.

Mr. MEYER. I am going back 25 years.

VARIATIONS IN PER CAPITA COST OF DEPARTMENT'S OPERATIONS

The CHAIRMAN. The staff has come up with a rather unusual calculation. Some of them have been looking at these figures and they note that your budget has tremendous variations in the per capita cost of the State Department operations. They cost our taxpayers roughly 40 cents for every person in Costa Rica, 50 cents for every person in Guyana, a dollar for every Panamanian, and I think 10 cents for every Mexican.

I don't know that this has any significance at all, but is a rather wide variation in the cost of the Department's expenditures for its own operations in meting out aid that has nothing to do with AID.

I don't know how significant the size of the country is.

Do you have any comment to make on that?

Mr. MEYER. No, sir. I congratulate your staff. It intrigues me. Let's see if we can find a pattern.

The CHAIRMAN. It is quite a wide variation. In Panama, I don't know why you have 25 Americans and 22 locals. Of course, this, I take it, does not have anything to do with the personnel of the Panama Canal Company, which is into the hundreds. This is purely the diplomatic establishment, isn't it?

I was there not too long ago and I am bound to say I think the Governor, who, I think, by tradition is a General, has a more attractive house than the Ambassador.

Do you think that is quite right? You are a member of the Board, aren't you?

Mr. MEYER. I am a member of the Department of State, sir.

The CHAIRMAN. You have a conflict of interest; don't you?

Mr. MEYER. In terms of pure quality of residence, certainly.

The CHAIRMAN. I might say they are both quite adequate. I wouldn't complain about either one of them. They are very attractive places.

Mr. MEYER. I think going back to the interesting concept of cost per capita of host countries, I think you will agree it is in some part affected by the cost of living in the host country, as well as whether we own or rent property, and it is obviously affected by the numbers of people in the host country, and that would in turn be affected by some, we have reached, indeed, some irreducible minimums in terms of the Department personnel.

The CHAIRMAN. Take Chile. It is 10 cents in Chile, 10 cents in Mexico, and $1 in Panama.

REEXAMINATION OF EXISTING PROGRAMS SUGGESTED

I am not going to dwell on that. It is very interesting. But the main question that bothers me, and I would apply it to all of these projects in every country, is a reexamination of the basic justification for the program and the policy. This would apply not only in the case of Cuba, which I think is very important, but in each one of these other countries. That is what we are really trying to do and that is what these hearings are all about. I would hope we can be helpful in promoting a reexamination of all of our existing programs because I and some of my colleagues, at least, share the feeling that at least in large governments and in large bureaucracies there is a tremendous momentum and

it is extremely difficult to change even for people in your position who head a bureau. I think it is very difficult to change.

As you have said, you inherited this program in the Dominican Republic. You inherited much of it and I am not sure you have said you have seriously reconsidered the justification. But what we are urging you to do is to seriously approach it as if it didn't exist, and see if there is any current justification for it.

The original justification for the Dominican thing, I think, was about as far-fetched as the original justification for the intervention in the civil war in Vietnam. I am speaking of the one under President Johnson back in 1965. It had nothing to do with you or this Administration.

You have said yourself that the President has taken a new look and I certainly approve of the statement you made there. To implement that, I think, you and we, together, ought to take a new look at every one of these programs and see if we are continuing programs that are no longer relevant to the present conditions. That is about all I am trying to say.

Mr. MEYER. Very clear, Mr. Chairman. I think you may be aware that our posts over a period of some years have annually prepared for review in Washington country analyses and strategy papers, and this is a critical——

The CHAIRMAN. For each country?

Mr. MEYER. Each country. And to the degree that humans can be critical of their own efforts, each year we critically review the programs by host country and the U.S. interests concomitant with those programs.

LATEST REVIEW OF DOMINICAN REPUBLIC PROGRAM SUGGESTED

The CHAIRMAN. Since this has come this way, could you make the latest review of the Dominican Republic available to the committee, so we could see what they have said about it?

Mr. MEYER. And I respectfully suggest, sir, that Pat Holt has access to these. But in the Department, with your permission——

The CHAIRMAN. I will certainly recommend that he take a look. Mr. Jones is our AID specialist and is concentrating upon AID. Although Pat, as you properly say, is our expert on Latin America generally, he has graduated beyond the AID program. He used to do that, but he no longer——

Mr. MEYER. We will be delighted.

The CHAIRMAN. He got bored with it, I expect, and Mr. Jones would be the proper one to take a look at it.

I am curious to see how they do approach this kind of problem and see if they give it, I would say, an original, a new look, which I think they ought to do every year.

REDUCING OTHER AGENCIES PERSONNEL ABROAD TO STATE DEPARTMENT TOTAL

Mr. Secretary, I believe I sent you a memorandum suggesting that the United States personnel abroad in other agencies might be reduced to the total number of State Department personnel country by country. Do you recall such a memorandum?

Mr. MEYER. Specifically to me, or to the Department, Mr. Chairman?

The CHAIRMAN. No, I am sorry, that memo was sent to me to raise this question with you and to point out the desirability of such a limitation.

I used the example of Brazil where, as of April 30, 1971, there were 912 United States Government personnel, of which only 131 were from the State Department. If the proposed restriction were in effect, it would reduce the U.S. personnel in Brazil from 913 to 262. Would you comment upon the effect of that and would it be adverse to the Department and to the country's interest?

Mr. MEYER. I think, Mr. Chairman, in honesty, an arithmetic parallellism would be one difficult to achieve—consonant with the multiple services, if you will, that the U.S. presence performs.

For example, in Brazil AID is in the process of reduction, but at the end of 1971, calendar, that is, there are in excess of 400 AID personnel in Brazil.

The CHAIRMAN. That seems excessive to me, really, more than it ought to be. I don't mean your figures are not accurate.

Mr. MEYER. I know what you mean, sir. These are personnel responsive to and responsible for program that have developed over a period of the AID association and they are reducing.

The CHAIRMAN. As pointed out, the Americans in Brazil in these agencies total more than all of the State Department personnel in Latin America under your bureau; you have 680 Americans.

Mr. MEYER. Right, sir.

The CHAIRMAN. And here you have the agencies, of which you are one of the smallest percentages. In Brazil the other agencies exceed the total Department of State establishment in all of Latin America, which really seems excessive to me. As you say, there are an enormous number in AID and you have 313 Peace Corps volunteers.

Mr. MEYER. Yes, sir.

The CHAIRMAN. It strikes me as an amazing number.

Mr. MEYER. Might I say, sir, I know you are aware of, and forgive me for once again at least calling to my own mind the fact Brazil is larger than the United States and some part of the Peace Corps population and the AID, too, is purely a reflecting of size of the host country.

The CHAIRMAN. I don't see why the size in geography is very significant. In population it is less than half of the United States; isn't it?

Mr. MEYER. Right, is less than half—90-plus million.

The CHAIRMAN. But I don't see that is very relevant.

I am told that the Peace Corps has grown so large there that they now have a very large administrative apparatus of their own, which involves, it looks like, 15 or 20 people who are devoted to administration of the Peace Corps in Brazil.

Mr. MEYER. We have discussed that, Mr. Chairman, and the consensus of the embassy is, particularly now that the Peace Corps is under budgetary reexamination, that one of the real ingredients of a successful volunteer program is the quality of the staff which, as you say, in Brazil is 16 Americans, but scattered over a fair piece of geography.

SIZE OF BRAZIL

The CHAIRMAN. Since you bring up the question of size, is Brazil approximately in number of square miles about the size of the United States?

Mr. MEYER. Having spent six years in Texas, sir, I used to get somewhat beaten when I was reminded that Brazil was the United States plus a second Texas, plus two Texases.

The CHAIRMAN. Plus two Texases?

Mr. MEYER. Yes, sir.

BRAZILIANS ASSIGNED TO EMBASSY IN WASHINGTON

The CHAIRMAN. It is a big country, but how many Brazilians are assigned to the embassy in Washington?

Mr. MEYER. How many Brazilians?

The CHAIRMAN. Yes. We are a big country, too. How many do they assign here?

Mr. MEYER. In their embassy? I don't know, sir.

The CHAIRMAN. You don't know?

Mr. MEYER. How many Brazilians there are in the Brazilian Embassy, no.

The CHAIRMAN. Don't you know what kind of staff the embassies for Latin America have in Washington?

Mr. MEYER. We have a run down of it, but I don't have it in my mind.

The CHAIRMAN. Could you supply it for the record?

Mr. MEYER. Yes, sir.

SIZE OF LATIN AMERICAN EMBASSY STAFFS IN WASHINGTON

The CHAIRMAN. While we are about it, if you are going to do that for Brazil, it wouldn't be too much trouble to do it for all of them. I would like to see how they apply these criteria which we apply in judging the size and needs of a country in the diplomatic field. Of course, none of them are engaged in AID.

Mr. MEYER. Or the Peace Corps.

(The information referred to follows:)

Sending states nationals under control of ambassadors accredited to Government of United States (supplied by Department of State)

Argentina	207
Bolivia	36
Brazil	333
Chile	83
Ecuador	84
Mexico	330
Peru	61

REVERSAL OF DECISION NOT TO PROVIDE GRANT MILITARY EQUIPMENT

The CHAIRMAN. During last year's consideration of the AID legislation, the committee learned very late in the year that there was a reversal of the earlier decision not to provide grant military equipment to Latin America during fiscal 1972. I think that was in October of

last year. Many members of the committee applauded the decision to bring an end to the grant program.

Could you tell us why this decision was reversed and in some detail explain the decision-making process that brought about this reversal?

Mr. MEYER. The decision-making process in relation to foreign military sales or MAP grants or people is almost without exception a decision-making process that engages the entire departmental group to which I referred in my prepared remarks.

The interdepartmental group recommended continuance of grant material assistance and training, and it was a process which was debated within the Department of State, itself, in our political and military sections. It was and has been and there is a division of opinion as to whether or not Latin American countries, we are talking about Latin America, truly require grant assistance in terms of what is essentially a spare part category, and training.

The interdepartmental group, of which I am the executive chairman, recommended continuance of grant assistance.

RATIONALE FOR CONTINUED MILITARY ASSISTANCE PROGRAM

The CHAIRMAN. I want to ask you the same question I did regarding the Dominican Republic.

What is the rationale for this continued insistence upon substantial military assistance program, in this case grant AID, to Latin America. What purpose is it serving? What is the United States' interest? It may be perfectly all right. I am trying to elucidate or trying to put it to where we can understand what it is.

Mr. MEYER. Let me touch on the grant portion first, which is in total dollars very small. Part of the total dollars is dedicated to training, allocated to training. The fact that it is grant assistance is judged by the interdepartmental group to be a worthwhile continuum although on a reducing scale in relationship with the military establishments of Latin America which are in existence and there is an even division as to whether or not—I say an even, I think one could find an even division—as to whether or not this grant portion is needed. In terms of foreign military sales, which is the other side or the other aspect, that we all feel strongly is a desirable program in the interests not only of the United States but responsive to the interests of Latin America.

The CHAIRMAN. I think a moment ago we referred to Mexico. Mexico is one of the countries which minimizes the military. I guess it is one of the few countries that is civilian and has maintained control of the country. Is that not correct?

Mr. MEYER. That is correct, sir.

The CHAIRMAN. Costa Rica is a country without any military establishment; is that not right?

Mr. MEYER. That is correct.

The CHAIRMAN. And as peaceful and prosperous a country in its community as anybody.

What is the rationale? Why do we think we are doing a country a great favor in building up its military establishment? Why do we think it is in our interests? I am not saying that we should go tell

everybody not to have one if they are determined to have one. I don't want to preach interventionism, but it has always puzzled me when we have these two examples right there, two of the more successful communities, why is it in the interest of the United States to do it? I didn't want to suggest anything. You may force me to suggest it and see whether you agree with it.

WHAT IS U.S. INTEREST IN MILITARY PROGRAMS?

I have heard reasons that I don't like to accept. I would rather you give a reason, if you care to, as to the interest of the United States in taking up military matters and having a MAG mission of some kind, I guess, in every country, that will allow one, rather than taking the same amount of money, we will say, and putting it in schools or water systems or parks or hospitals. Sewer systems are one of the great needs of my state because of the actual and impending pollution problem. Why do we think it is in the United States' interest to the point where we insist against the most vigorous efforts on the part of the Congress?

This committee, for years, has tried to persuade not only this Administration, but predecessor Administrations to gradually phase out these military programs. I have heard what your predecessors have said. They have not been very persuasive to me. They use the general statement that it is in our national security interest, but they don't give reasons which appeal to me very much.

I would like for you to examine it again in the same spirit we were talking about the specifics a moment ago.

Mr. MEYER. Very good, sir.

Let me start, if I might, from the Latin American viewpoint looking north.

As you have so correctly said, it is not our prerogative to tell a sovereign country that they may not have an army or navy or air force——

The CHAIRMAN. I am not suggesting that.

Mr. MEYER. No, sir; I appreciate that. Except Costa Rica, as you intimated, each of the nations has an army, and air force, or navy, or two or three, or all——

The CHAIRMAN. Except Costa Rica.

Mr. MEYER. Except Costa Rica.

These institutions, Mr. Chairman, are not exorbitant in size by any standard of the imagination and the total expenses of them average through the hemisphere amount to, as I recall, 2 percent of GNP.

The CHAIRMAN. Don't go on GNP again, please. Use some other more relevant criteria. That has been so overworked it is very disturbing.

Do you have to use GNP? Isn't there any other criteria you could use?

Mr. MEYER. My point only, sir, is the criteria, using——

NONMILITARY AS COMPARED TO MILITARY AID

The CHAIRMAN. What is the percentage of our foreign aid? Maybe that would be to me more significant. Do you know that?

Mr. MEYER. It depends on the appropriations year. What we are now talking about is foreign military sales.

The CHAIRMAN. Taking a given country, what percentage of all you give country A is military as compared to the nonmilitary? Is it a substantial percentage or not?

Mr. MEYER. Well, in 1971, sir, economic aid to hemispheres was $660 million, grants and loans, and the military grants and loans was $66.5 million.

The CHAIRMAN. Including training, all the military?

Mr. MEYER. Yes, sir; that is all military. That doesn't take into account any cash purchases that a sovereign government wants to make.

The CHAIRMAN. It seems to me this year the government was asking to increase the ceiling to $150 million. Was it? This year's total military is $83,668,000. Is that the request?

(Discussion off the record.)

The CHAIRMAN. In effect, in the AID program which we handled last year, it was a $150 million ceiling they wanted.

I have to move along, we have another witness.

FINDING JUSTIFICATION FOR CONTINUING PROGRAMS

I think I have made my point. We would be very interested in inducing and assisting, if we can, and our staff will certainly work with your people to find a justification for the continuation of any and all of these programs. I suspect there is a great momentum and that when a program gets established it is almost impossible to change it.

Examples like Mexico and Costa Rica should indicate that there may be some question about the validity and effectiveness of military activities in our interests, regardless of what the host country may say.

MAG AND AID PUBLIC SAFETY MISSION IN COSTA RICA

We have a great variation in Costa Rica. Much to my surprise, we insist on keeping a MAG mission there, although they have no army. I don't know what that MAG mission does.

We have four people, according to my most recent figures, in a country that has no army.

Mr. MEYER. No, sir, but the country's military establishment is a national police force to whom we relate in this mission.

The CHAIRMAN. I didn't know that MAG missions were for local police forces, but we have very big ones in countries like Bolivia and Argentina.

Mr. MEYER. Yes, sir, I think you do know and——

The CHAIRMAN. We have the public safety program under AID for the police and the militia. We tried to deal with that in the Senate, but the House insisted upon it and it was reinstated. We trained their police and militia in addition to the military.

Mr. MEYER. I will have to check on whether that is the case in Costa Rica.

(The information referred to follows:)

U.S. MILITARY PERSONNEL AND AID PUBLIC SAFETY MISSION IN COSTA RICA

(Supplied by Department of State)

To amplify the question raised by the Chairman with reference to the four military personnel in Costa Rica, the national police force (Guardia Civil) is charged by the constitution of Costa Rica with certain para-military duties, as well as the normal police functions. The nation has faced numerous border incursions in recent years which necessitate a certain para-military capacity. The Milgroup assists in the development of that capability through advice and training. It has also assisted in disaster relief operations.

The AID Public Safety mission is to help in the modernization of the Civil Guard and the new Rural Assistance Guard insofar as their conventional civilian police functions are concerned.

The CHAIRMAN. I remember I offered the amendment to strike that. I thought of all the things with which we didn't want to be identified was the police force of all these countries. People don't usually take kindly to police forces, no matter how valuable and useful and indispensable they are. They don't in this country. I thought that was one activity we might leave to the locals, but the Congress insisted on it.

QUESTIONS FOR THE RECORD

One last thing and then I will have to move on. I will ask you this, as I did others. We will present to you some further questions along these lines and you and your staff could supply the answers so we can complete the record.

Mr. MEYER. Very good.

WHITE HOUSE POLICY STATEMENT ON EXPROPRIATION

The CHAIRMAN. This question I do want to ask you. The White House recently came forward with a major policy statement on the issue of expropriation. This policy, of course, will have a major impact on Latin America.

Could you tell us why this policy announcement came from the White House and not from the State Department? Are you familiar with it?

Mr. MEYER. Yes, indeed. I was refreshing my memory.

The CHAIRMAN. It is entitled "Policy Statement".

Mr. MEYER. It was issued from the White House at our recommendation.

The CHAIRMAN. You prepared it?

Mr. MEYER. Well, the government prepared it.

The CHAIRMAN. Could you explain how the policy was arrived at? That would be very interesting.

Mr. MEYER. I think I can clearly, sir.

You may recall that in 1969, April, actually, of 1969, President Nixon asked or suggested to the Latin American nations assembled at the Organization of American States, suggested to them that it would be useful for them and for the international community if indeed they would be able to write rules of the game as it applied to foreign private investment, not necessarily U.S.

Concurrently, the Government of the United States, particularly with economic nationalism as a potent and even desirable force, tended to present some problems in terms of our concept of compensation for expropriated assets and the Government of the United States felt that

it was desirable to write their rules of the game; and the statement issued by the President was really an extension of the concept that is inherent, for example, in the World Bank operative concepts in relationship to private investment and disputes vis-a-vis uncompensated nationalization. It was a statement that was worked out by the Department of State, by Treasury, by them jointly, and by the White House, and it was our strong recommendation that it be a White House issue.

The CHAIRMAN. They all participated?

Mr. MEYER. Yes, sir.

Mr. CHAIRMAN. Did OPIC (Overseas Private Investment Corporation) play a role in it?

Mr. MEYER. Yes, sir.

The CHAIRMAN. In an issue such as this, do you think the State Department is as influential as the Treasury?

Mr. MEYER. Yes, I do, Mr. Chairman.

POTENTIAL CLAIMS AGAINST OPIC IN CHILEAN SITUATION

The CHAIRMAN. While we are on that, do you have any views about Chile, the prospect of what is going to happen there?

I read a piece in one of the papers, I think within the last day or two. I don't remember who wrote it. The writers sort of prophesied that there would be a claim of about $216 million against OPIC in Chile.

Do you want to comment on that or not? Do you know anything about it?

Mr. MEYER. This will depend, Mr. Chairman. One Chilean source attributed potential exposure of OPIC or stated the potential exposure of OPIC could be nearly $700 million. The sum of the potential claims against OPIC will be, as I understand it, in the major part, Kennecott Copper, and the Anaconda Copper over which there is a difference in the interpretation of coverage—between the company and OPIC, and the considerable hundred-plus million coverage for the Chilean Telephone Company owned by International Tel & Tel. Those are the major parts.

To be honest with you, in terms of an accurate figure—I should go back to OPIC because there are varying interpretations.

The CHAIRMAN. I notice in the paper there are some very ominous rumblings going on inside Chile now, you know, over the question of the nationalization of a lot of domestic business.

Mr. MEYER. Yes, sir.

The CHAIRMAN. So that I guess there is nothing I can ask on that.

STATUS OF GENERALIZED PREFERENCES LEGISLATION

I have been handed a question that Senator Javits had requested me to put to you in his absence. He couldn't be here. So I am reading this on behalf of Senator Javits:

Given the importance of trade relations to over-all U.S. Latin American relations, could you tell the committee the status of the generalized preferences legislation which Secretary Rogers has indicated would be introduced before the Congress?

Mr. MEYER. Mr. Chairman, I had the impression that Mr. Rogers had covered, in part, yesterday——

The CHAIRMAN. Would you prefer to supply it for the record? If I have taken you by surprise, it's because I didn't anticipate——

Mr. MEYER. No; my understanding was that Secretary Rogers in reply to Senator Javits yesterday, stated that it was, the intentions are to submit these preferences this year.

The CHAIRMAN. In any case, you or your assistant, Mr. Livingstone, could look into that and supply it for the record.

Mr. MEYER. Right.

(The information referred to follows:)

As Secretary Rogers has noted earlier, the Department of State and other agencies of the government are continuing to give a great deal of attention to the preparation of legislation providing generalized tariff preferences to less developed countries. This government played an important role in the development of this idea and in supporting it in multilateral institutions. We are pleased that Japan and the European community, as well as several other industrial nations, have already put their preference systems into effect. The Administration remains fully committed to putting a U.S. system into effect. We will continue to give careful thought to the timing of our submission to the Congress which will depend, of course, upon a number of factors, including our assessment of favorable action.

RISK OF FOREIGN POLICY SETBACK IN OAS REGARDING CUBA

The CHAIRMAN. The other question: By waiting too long to shift our China policy regarding the United Nations, it is said that the United States suffered a foreign policy setback. Are we not running the same risk in regard to Cuba within the OAS, particularly since Prime Minister Castro traveled within the hemisphere a few months ago, and since there are signs of restiveness within the OAS as page 138 of the report of the Secretary of State makes clear? It is also a little along the lines of our previous question, but you can comment on it, if you will?

Mr. MEYER. I do not think, Mr. Chairman, we run the risk of a diplomatic defeat or diplomatic vis-a-vis Cuba and the OAS.

The CHAIRMAN. All right. I will be in touch with you through our assistants. I thank you very much for your very courteous testimony. I think it is a good beginning and maybe we can make some progress that will be mutually beneficial.

Mr. MEYER. Thank you, Mr. Chairman.

The CHAIRMAN. I would hope we could review it and thank you very much.

Our next witness is Mr. Joseph J. Sisco, Assistant Secretary for Near Eastern and South Asian Affairs.

Mr. Sisco, we are very pleased to have you. Do you wish to make a formal statement or submit for the record and summarize? Which do you like?

STATEMENT OF JOSEPH J. SISCO, ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS, ACCOMPANIED BY LEAMON R. HUNT, EXECUTIVE DIRECTOR

Mr. SISCO. Mr. Chairman, I am at your disposal. I have a brief statement which we have submitted to the committee. I will be very glad to summarize it very briefly and very quickly or I will be very glad to go right into the questions, whatever your preference is.

The CHAIRMAN. I think it would be better to summarize. I have just been told Senator Mansfield has given notice he may ask for a vote. I may have to go. If I go I can come back, but, nevertheless, there may be an interruption. I think it would be wise if you summarize it.

Mr. SISCO. Mr. Chairman, I want to touch upon three principal areas of concern largely because of the fact that over the last several years these have really been the crisis problems and the crisis areas.

ARAB-ISRAELI DISPUTE

First is the Arab-Israeli dispute, and I would merely say that we have made a major effort over the last three years to try to achieve in the first instance an overall settlement between the Arabs and the Israelis and, if not, an overall settlement, at least some partial first step which would contribute to this end.

I think the major achievement in the last three years has been the achievement of the American-sponsored cease fire of August, 1970.

As I speak to you here today, we are in the 20th month of this cease fire, admittedly a very tenuous one, but we want to do everything diplomatically that we can as a minimum to try to reinforce and extend that cease-fire and to make some practical progress toward either an overall or a partial settlement.

There are two diplomatic processes in train. One, Ambassador Jarring has been mandated by the UN Security Council to try to develop some new dialogue between the Israelis and the Arabs. He is busy at this task at the present time at the United Nations.

And, secondly, we have been asked by the Egyptians and Israelis to play a middleman role in trying to achieve an interim Suez Canal agreement. At the moment we are standing by; we are available to the parties in order to pursue this further at such time as they desire to do so.

THE SUBCONTINENT

The second area that I want to touch upon is the subcontinent, and here I think in the months ahead, in the aftermath of the recent war, we face a period of reconstruction and readjustment.

I want to say in the simplest terms our objective in the subcontinent is stability, stability between the three principal entities within the area, namely, Bangladesh, India and Pakistan, and reasonable stability insofar as the relationships between the major powers that have an interest in this area, namely the Soviet Union, the United States and the People's Republic of China.

I think this is the objective that we are after, and we will be working to this end.

PROBLEM OF CYPRUS

The third problem area that I just want to mention in passing is the problem of Cyprus. Over the last decade, as you well know, we have had from time to time a crisis of one kind or another that had with it always the seeds of a possible war between two of our principal NATO allies, namely, Greece and Turkey.

We have over the last six months been trying to promote very quietly talks between the Greek Cypriots and the Turkish Cypriots with a view to trying to resolve the differences between them. We had hoped

to as a result of this effort in support of the United Nations that so-called intercommunal talks might have gotten started, perhaps by the end of this past month. However, we do face new difficulties in Cyprus, largely as a result of a difference of views that has arisen between the Government of Cyprus and the Government of Greece.

This is all I really want to say by way of introduction, Mr. Chairman, and I will be very glad to try to respond to your queries.

(Mr. Sisco's prepared statement follows:)

STATEMENT OF HON. JOSEPH J. SISCO, ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AND SOUTH ASIAN AFFAIRS, BEFORE THE FOREIGN RELATIONS COMMITTEE, U.S. SENATE

Mr. Chairman and Members of the Committee, I appear before you today in support of a Bill to authorize appropriations for the Bureau of Near Eastern and South Asian Affairs for fiscal year 1973 in the amount of $18,036,000. This amount includes $10,937,500 for American salaries and $7,098,500 for all direct operating expenses of the Bureau, overseas and domestic, and is included under the major function, "Administration of Foreign Affairs" in the appropriation "Salaries and Expenses." In the appropriation are 117 domestic and 425 overseas American positions and 713 foreign national positions, all direct employees of the Department of State.

We have 23 countries in our area and 35 posts, which include 17 Embassies, 11 Consulates General, 4 Consulates, 1 Consular Agency, and 2 limited staff posts, Cairo and Sanaa, operating as U.S. Interests Sections under the auspices of the Spanish and Italian Embassies respectively. We do not have posts in Syria, Iraq, or South Yemen.

To give you a general idea of the responsibilities we exercise in this highly diverse region, I should like to comment briefly on four areas which are of major interest to us—the Arab/Israeli dispute, South Asia, Cyprus and the Persian Gulf.

Underlying the first three of these problems—is one common element, local antagonisms and a history of conflict. The situation in the Persian Gulf is different. Though our policies have to be tailored to take account of vastly different conditions in each of these areas, they, too, have certain common elements. Foremost among them, as Secretary Rogers stated in his Foreign Policy Report, "is the need to help create the conditions which will promote a stable and enduring peace throughout the region." That is the task which absorbs much of our time and energy, and it will continue to. For unfortunately, the task is an unfinished one.

Arab-Israeli Dispute

The Arab-Israel problem continues to have a danger potential as high as any anywhere in the world. The Soviet Union continues to supply modern weapons in quantity to Arab countries in the area augmented by the presence of Soviet personnel with sophisticated equipment in operational as well as advisory capacities. In order to assure that the military balance is not upset, thus setting the area on a slippery slope toward large scale hostilities, we have made certain that Israel has the wherewithal to defend itself. There is talk on the Arab side about preparation for the coming battle to regain Arab lands occupied by Israel, and Israel has made clear that it intends to defend its present positions tenaciously pending a peace settlement, fully utilizing the military force at its disposal.

As the events of the last week along the Israel-Lebanon border demonstrate, Arab irregular forces still have the ability to spark recourse to arms on a wider front. This inherently unstable situation is likely to continue until a way is found to reconcile Israel's search for security with the Arab search for recovery of occupied territories and a just settlement of the Palestine refugee problem. The need for negotiation and progress toward peace therefore has clearly not diminished, and in fact it offers the only means of dissipating the persisting threat of broad military confrontation in the area. Fortunately, there are signs, and important ones, that the area's principal protagonists are still interested in avoiding a resumption of hostilities. The ceasefire along the Suez Canal, brought about by our initiative over a year and a half ago, remains in force. Ambassador Jarring has resumed his consultations with the parties under the mandate given

him by Security Council Resolution 242 to promote agreement between the parties on the terms of a just and lasting peace. While Egypt and Jordan stress the need to make progress in the Jarring mission context, Israel has declared its readiness to engage without prior conditions in close proximity talks with Egypt for an interim Suez Canal agreement with the United States as go-between. Thus there is reason not to despair. As circumstances permit, we intend to pursue our efforts with both sides to serve our principal interests in the area: to avoid war through preservation of the ceasefire, to help achieve peace, and to assure friendly relations with all the nations and peoples in the area.

South Asia

In South Asia, as the Secretary pointed out in his Foreign Policy Report, the months ahead will be a time of adjustment and reconstruction. In Bangladesh the tragic events and the massive human suffering of the past year have given way to new and pressing problems of rehabilitation and reconstruction. Pakistan faces its own arduous task of economic and political readjustment after the loss of all of its eastern wing and more than half of its population. The events of the past year have created major problems in our relations with India, and our dialogue with the Indians about our future relations is now beginning. It is no exaggeration to characterize all this as a period of climactic change affecting one of the largest segments of the earth's population. It is also no exaggeration to describe the decisions that our own Government faces in the aftermath of these changes as of crucial importance to the kind of constructive relationship we seek with each of the states of South Asia.

Cyprus

Another difficult, complicated and seemingly perennial problem located in the NEA area, Mr. Chairman, is that of Cyprus. Three times in the last decade the Cyprus problem has generated potentially violent conflict between NATO allies Greece and Turkey and threatened chaos in the eastern Mediterranean and possible confrontation between the great powers.

International diplomacy, with the United States playing a contributing role, was successful in establishing a negotiating process on the Cyprus problem in 1968. This process was suspended in 1971, but as this year began we had some hope that negotiations would be resumed under a new formula proposed by the U.N. Secretary General. Regrettably, the situation has now been further complicated by a new kind of crisis. Differences have arisen between the Government of Greece and the Government of Cyprus. We continue to support a peacefully negotiated solution to the Cyprus problem, and we believe and hope that these differences will be resolved by the governments concerned.

Persian Gulf

The Arabian Peninsula/Persian Gulf area is of major strategic and economic interest to the U.S. because of, among other things, the extensive American participation in the Peninsula's vast petroleum industry, the importance of Middle East oil as an energy source to our friends and allies in Europe and Asia, and our interest in the orderly political social evolution of the peoples of the area.

At the end of 1971 an historical threshold was crossed. The British terminated a century old protective relationship with the nine Amirates of the lower Gulf—Bahrian, Oatar and the seven so-called "Trucial States." Upon the termination of this arrangement three new and fully independent states emerged.

The U.S. Government welcomes the independence of the states of the lower Gulf. We believe that cooperation among all the states of the Gulf is essential to the future stability and welfare of the area. U.S. policy is based on friendship for all the peoples of the Gulf, and we shall seek to encourage cooperation among them whenever possible.

The U.S. moved promptly to recognize the three new political entities and agreed to accredit the American Ambassador to Kuwait as non-resident Ambassador to them as well as to the neighboring Sultanate of Oman. As we now enter a direct and formal relation with these states, we shall seek to continue a policy of friendship and cooperation which has consistently characterized our relationships.

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau Near Eastern and and South Asian Affairs:)

BUREAU OF NEAR EASTERN AND SOUTH ASIAN AFFAIRS—SUMMARY, DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	524	$9,193,349	532	$9,350,216	542	$9,480,917	+10	+$130,701
Estimated net cost of permanent American employment (central American salary account) [1]		10,403,228		10,820,200		10,937,500		+117,300
Operating expense funds managed by this office [2]		5,919,264		6,495,400		7,098,500		+603,100
Total		16,322,492		17,315,600		18,036,000		+720,400

EXPLANATION OF DECREASES AND INCREASES	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decreases:						
Extra days' pay		−$82,100	11		−$22,100	18
New positions in 1972					−58,100	81
Relocation expenses					−175,000	81
Total decreases		−82,100			−225,200	
Increases:						
Annualization:						
New positions in 1972		+20,400	11		+23,000	81
1972 local employee wage increases					+79,100	18, 81
New posts					+39,700	81
Relocation expenses					+12,000	81
Within-grade salary increases		+59,900	11		+107,200	19
Local employee wage increases, 1973					+140,300	82
Price increases					+145,300	83
Improved support	10	+119,100	13	+8	+311,700	84
Total increases	10	+199,400		+8	+858,300	
Net increase/decrease	10	+117,300		+8	+603,100	

[1] In addition to salary, costs includes retirement, health benefit, and life insurance contributions; terminal leave, hardship post differential; and similar costs.

[2] Includes salaries for local positions: 1971—696; 1972—705; 1973—713.

Note: Total positions (Americans and locals): 1971—1,220; 1972—1,237; 1973—1,255.

BUREAU OF NEAR EASTERN AND SOUTH ASIAN AFFAIRS—FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY

	Americans	Locals	Amount
Afghanistan	14	22	$916,130
Arab Republic of Egypt	13	49	588,475
Bahrain	3	5	169,641
Ceylon	14	16	706,376
Cyprus	9	13	555,182
Greece	38	87	2,365,770
India	61	122	3,573,943
Iran	35	54	1,879,736
Iraq			61,000
Israel	39	57	1,537,656
Jordan	17	18	788,590
Kuwait	14	20	734,415
Lebanon	35	47	4,636,513
Nepal	12	10	584,429
Oman	3	5	170,756
Pakistan	49	72	2,289,240
Saudi Arabia	20	52	1,456,658
Syrian Arab Republic			10,000
Turkey	47	59	2,296,873
United Arab Emirates	3	5	156,086
Yemen	3	5	161,937
Regional			1,548,455
Cooperation with private institutions			1,706,000
Total	429	718	28,893,861

HOMEPORTING NEGOTIATIONS WITH GREEK GOVERNMENT

The CHAIRMAN. Your last comment prompts my first question, one about which a number of us on this committee have talked. The executive branch has said that no new agreements are involved in homeporting our Navy in Greece, but the Department has also said that negotiations are under way with the Greek Government. What will be the end product of these negotiations? Presumably there would be an agreement on specific questions. Could you explain that apparent inconsistency?

Mr. SISCO. I think I can, Mr. Chairman, without going into a great many of the details, as I think you are familiar with them.

What we, first of all, are very simply trying to do in discussing this so-called home porting arrangement with the Greek Government is to achieve an understanding which would permit the homeporting of certain elements of the Sixth Fleet, the purpose being that we can get families to stay there in Greece——

The CHAIRMAN. I know all of that.

Mr. SISCO. I just wanted the one-sentence introduction and I will get to your question immediately, if I can, Mr. Chairman.

And to reduce the family separation.

Now, what we are discussing is the arrangment. These discussions, Mr. Chairman, are within the framework of two agreements.

First, there was an executive agreement signed between the Government of Greece and the United States in 1953. This executive agreement related to facilities which the United States has in Greece.

You are also aware that there is another agreement that relates to the status of forces. So the discussions that we are holding on the question of homeporting are within the framework of the 1953 executive agreement. That executive agreement was undertaken within the broad framework of NATO which, as you know, was a treaty, and submitted to the Senate for its approval.

The CHAIRMAN. This sounds like a replay of the Spanish bases thing. That was exactly what they told us there, that they were extending the executive agreement made back in, I think, 1953, and involving, as you know, very substantial involvements.

I am bound to raise these questions because I feel very much about this like I did the Spanish bases.

So you consider it is none of the Senate's business what you do. In effect, this is what you say. This is an agreement, although that apparent agreement was made at the height of the cold war. It was about the time Joe Stalin left this world. I don't know whether it was before or after. In any case it was at the time of the most intense obsession of this country with the anti-Communist ideology.

Mr. SISCO. I would say, Mr. Chairman, I am really talking about an administrative arrangement. There are no new commitments that are involved. Its purpose, frankly——

The CHAIRMAN. Aren't you going to pay them anything for these privileges? You are going to have to rent quarters and build commissaries. You are going to do a lot if you are going to take care of six or seven thousand people.

Mr. SISCO. The Navy has in mind very austere arrangements in using a good many facilities that are there now; likewise they have in mind a plan of what they call mobile home porting, in other words, really using a good many of the ships themselves.

PRINCIPAL PURPOSE OF HOME PORTING NEGOTIATIONS

But I really wanted to get to your principal question, Mr. Chairman, that you alluded to a moment ago. I think the principal purpose, specifically, is to try to make our Navy in the Mediterranean a little more effective, within the limits of the budget.

I agree with you. if you go back to 1953. That was at the height of the cold war, but, Mr. Chairman, I would add that in present circumstances, I think it is equally important for there to be an effective American presence in the Mediterranean.

I think the southern flank of NATO is important to us strategically. I would agree with you that this is not the cold war period; moreover we are trying to work out on an *ad hoc* basis individual understandings with the Soviet Union, wherever we can, and we should do so in my judgment. Nevertheless, I think it is clear that an effective American presence in the Mediterranean is a deterrent and from where I sit, given the kind of diplomacy we are trying to pursue in the Middle East, in particular, I think that the Sixth Fleet is an essential adjunct to achieve the kind of agreement, peace and stability that we are trying to achieve in the Middle East.

The CHAIRMAN. You hit right on the major problem. You suggested it, but it is not the main point I want to make.

RUSSIAN HOME PORT FACILITIES

Do the Russians have home port facilities in Algeria?

Mr. SISCO. I would have to check that, Mr. Chairman. As to what precisely the Russians have there, they are developing a base in Mersa Matruh, which is in Egypt.

The CHAIRMAN. Do you know if they will have the dependents and the rest there?

Mr. SISCO. In Algeria?

The CHAIRMAN. Either one.

Mr. SISCO. Well, there are 20,000 Russians in Egypt today, which include dependents. The Russians have a very substantial base in Egypt today.

The CHAIRMAN. They already have the base.

EFFECT OF U.S. DEVOTION ON GREEK JUNTA

With regard to Greek-Turkish relations, it seems to me this is more signficant than any.

You mentioned Cyprus. There has been a good deal in the paper lately about agitation with regard to Makarios. There are very serious questions, of course, about our relations with the Greek Government.

You know what has been done by the committee and you know what has been done by the Congress with regard to Greece. I think it is quite clear that the Congress, as a whole, this last year felt that at least its best judgment was not to become, in effect, the principal supporter of the Greek Government. We do not want to intervene or displace, but simply felt we shouldn't be identified with this kind of regime, that it is contrary to our best interests, and, as we know, other members of NATO have taken the same view.

I wonder if this unusual devotion to the Greek Government, shown by choosing them for the home porting and also suspending with a loophole, in effect, the prohibition of Congress, which the President has done to give them $91 million——

Mr. SISCO. $71, Mr. Chairman.

The CHAIRMAN. $71 million in aid. I wonder if that doesn't tend to cause the Greek junta to become a little arrogant and to be causing trouble in Cyprus and if this whole thing couldn't lead into a decision—These are very chancy things; nobody knows the answer.

INHIBITIONS TO SALT AGREEMENT SUGGESTED

But it seems to me in the face of an alleged desire to reach agreement, as expressed in SALT, when at the same time we begin a new home porting in Greece, put a base in Bahrain, and insist on and make great publicity over maintaining Radio Liberty, how can the Russians believe we really mean it when we say we would like to reduce tensions with you and come to an agreement?

One of the leading members of this administration said, "Watch what we do, not what we say."

If they are doing that, don't you think it really raises serious problems?

Mr. SISCO. I think the practical test, Mr. Chairman, is the question of the United States proceeding in the manner in which it has, in trying to negotiate individual agreements and understandings with the Soviet Union, and here I would say we have gone at least half the way.

The CHAIRMAN. You haven't made any agreements at all. None of any significance have been signed that I know of, other than how to proceed or something about a hotline. But there were no substantive agreements.

Mr. SISCO. Well, I would attach significance to the agreements in the field of outer space and certain aspects of disarmament. I think the situation with respect to SALT is hopeful. I don't claim to have all of the details, but I am told it is hopeful. Berlin is another example. I think we are making a very serious attempt at trying to find understandings between ourselves and the Soviet Union, and I think we have had reasonable success.

The CHAIRMAN. I don't see what you gain by home porting and by Bahrain. The possible, even probable, effect of that is an inhibition that arises with regard to really substantial agreements in SALT.

A few years ago all of us in the Congress, very prematurely, really thought there was great hope. I guess we all applauded the movement as a great thing, almost as a great creation, and nothing has happened except long continuing talks.

I will assume that if the President is going to Moscow, he is almost bound to have something to show and there is bound to be some kind of an agreement, whether it will be of any consequence or not, or much consequence, I don't know. He surely will have something to bring out of Moscow if it is nothing but a peashooter that we have agreed on.

But it has been three years and——

Mr. SISCO. But, Mr. Chairman, home porting is not going to be an inhibition to a SALT agreement or other——

EFFECT OF U.S. COURSE OF CONDUCT

The CHAIRMAN. It never is. No one of the things I mentioned, itself, is enough to disturb a lot of people. It is a course of conduct when you put them all together. Bahrain is not a big deal. But I for one think that the relative force of these elements is about the same in the Kremlin as it is in the White House. What we are going to do is to give the admirals in the Kremlin an opportunity to say, "Look, these Americans have a base." They will say to Mr. Brezhnev, "Look, we need another $5 billion. We have to have a base. We can't let these Americans have a base when we don't have one."

This is the way it has gone.

Mr. SISCO. Taking your assumption as to our course of conduct, I think this Administration can show very clearly in the last three years there has been a reduction of commitments all over the world.

If one looks at what you have termed course of conduct, I think there is a very, very strong indication, and very, very strong signal to the Soviet Union that we are interested in reducing our commitments. Vietnam is a case in point, and elsewhere.

The CHAIRMAN. There is a vote on. I will be back. It shouldn't take me over five or seven minutes. I will have to recess.

In the first place, I don't like you throwing in this Administration. I assure you I am not talking about just this Administration. It is the general policy that we have been following and the fact that we are in difficulty.

I will be back in a few minutes.

(Short recess.)

The CHAIRMAN. The committee will come to order.

Mr. Sisco, I believe you were in the midst of an observation when I left.

SOVIET USE OF ALGERIAN FACILITIES

Mr. SISCO. I think I had concluded my observation, Mr. Chairman. If I could just put something in the record, as I indicated I would. I just consulted with my colleague, David Newsom, who is Assistant Secretary for African Affairs, insofar as what the Soviets do with respect to Algeria. They do come in there from time to time with ships that are providing assistance as part of their element of the fleet. In other words, they use facilities, but they have no permanent base there.

The CHAIRMAN. They do what we are doing in Greece. We go in from time to time, too, but we have no home port. They have the equivalent of what we now have in Greece. That is what I had understood. They have nothing more than that.

I put the question a moment ago, I think, about the overall effect. One more question on this subject:

EXECUTIVE BRANCH JUDGMENT OF FACTORS' EFFECT

Is there anyone in the executive branch who judges or undertakes to judge the effect of all of these factors, what we are doing in the Azores and Bahrain and home porting and Radio Liberty and the vast increase in our defense appropriations? Does anybody look at these and, if so, who?

Mr. SISCO. Yes, there is an overall look, Mr. Chariman.

The CHAIRMAN. Who does it?

Mr. SISCO. This is done through the National Security Council mechanism and principally by the committee chaired by our Under Secretary, Mr. Irwin, who looks at a number of these problems on an overall worldwide basis. So it may be that we, as a regional bureau, might make a contribution or provide one piece of the overall problem, but it is looked at on an overall basis not only systematically through this Under Secretaries Committee but likewise, of course, by the Secretary. A number of these things are discussed eventually at the National Security Council itself.

TENDENCY TO EXAGGERATE ONE ASPECT OVER ANOTHER

The CHAIRMAN. You know I wouldn't be at all surprised if they did or didn't. Members of Congress and committees in Congress develop special interests and they perhaps have to in order to retain any enthusiasm for their work. Whatever they are doing is the most important and somebody else will have to look after whatever else there is.

I have been getting communications lately. You would think that the whole world would come to an end and our policy would collapse if we should stop Radio Liberty. Everything depends on keeping Radio Liberty alive.

I got letters from England enclosing letters to the editor of the London Times. Of course, the letters were written by refugees from Russia, quite naturally, and anything they could do to promote—I guess, is part of it.

I certainly wouldn't say it is peculiar to the State Department or executive branch. I think it is endemic. It seems to me that everybody

including the Congress and the Senate, and I suppose I do too, to some degree, tends to exaggerate maybe one aspect over another and lose sight of the composite effect of all of these policies.

Mr. SISCO. This is why I think the National Security Council framework is such a good one, Mr. Chairman, because security and political considerations transcend any one department.

RESPONSIBILITIES OF SENIOR REVIEW GROUP AND INTERDEPARTMENTAL GROUPS

The CHAIRMAN. I recall from the President's own message in his annual report to the Nation in February, 1972, that it is the Senior Review Group, which is chaired by Mr. Kissinger, that has his responsibility, not Mr. Irwin's committee.

Mr. SISCO. I must confess I wasn't speaking in terms of formal mandate. I do know that in the Under Secretaries review group, all of the principal agencies are represented, and this is chaired by Mr. Irwin. Then there is a Senior Review Group. You are absolutely correct.

The CHAIRMAN. On page 231 the President's message says, "The Senior Review Group is the workhorse of the system and handles the great majority of the policy issues brought to me for decision."

Mr. SISCO. That is right.

The CHAIRMAN. "Interdepartmental groups, chaired by Assistant Secretaries of State, prepare the initial studies, which are then reviewed by the SRG to ensure that the issues, options, and agency views are fully presented. During my administration the Senior Review Group has met 130 times."

Then it goes on to Defense Program Review Committee and the Verification Panel.

What is the name, or is it the Under Secretaries Committee?

Mr. SISCO. Yes, chaired by the Under Secretary. Below that is the Assistant Secretary.

The CHAIRMAN. It says this "is the basic instrument for ensuring effective and uniform execution of foreign policy decisions."

That would leave the impression they had nothing to do about making the decision. They execute what has been determined by the Senior Review Group?

Mr. SISCO. It is a dual function, Mr. Chairman, and I can tell you I have participated in all of these groups regularly. You will find that—let me try to give you a very quick practical case.

If we are focusing on a policy problem in my area, normally we would prepare a paper, this group of mine, under my chairmanship, with a policy recommendation, or at least a variety of options. Many, many times this policy recommendation is reviewed at the Under Secretary's level in this Under Secretaries Committee and again with other agencies.

It is absolutely right to assume that if the policy recommendation keeps going up, it then does go to the Senior Review Group where, by the way, the Under Secretary represents the State Department. This group is chaired by Mr. Kissinger and, if necessary, it eventually goes from the Senior Review Group to the National Security Council itself, where the Secretaries of State and Defense and other statutory members sit.

DECISION ON PAKISTAN

The CHAIRMAN. Which group actually made the decision on Pakistan?

Mr. SISCO. Oh, my. There is no one decision, Mr. Chairman, that I can point to.

The CHAIRMAN. Who implemented it? When did it finally focus?

Mr. SISCO. I don't think you can answer it that way. I think insofar as policy with respect to India-Pakistan in the recent crisis, a number of these mechanisms were used. However, many of the meetings focused on what was called a group that I haven't even mentioned, namely, the WSAG, which is the Washington Special Actions Group. This is a group that is put together whenever there is a crisis like a war, or a near war, and in this group a number of the day-by-day practical developments are reviewed. But in terms of actual policy——

The CHAIRMAN. Who chairs that group?

Mr. SISCO. Mr. Kissinger chairs that group.

The CHAIRMAN. Were you at the meeting on India and Pakistan?

Mr. SISCO. I was at practically all of the meetings of these special review groups.

The CHAIRMAN. I assume it is all right to ask you about it. It was all in the papers.

Mr. SISCO. It certainly is.

The CHAIRMAN. Was that account in the paper reasonably accurate?

Mr. SISCO. Well, I don't want to comment on that, Mr. Chairman, but I would just agree with you there was a good deal in the newspaper.

The CHAIRMAN. I thought it was perfectly legitimate to discuss it.

What we are trying to do is understand the operations. It may be that this is the best way to operate, but it is rather new. I mean the growth and influence of such things as the Senior Review Group under Mr. Kissinger—and what did you call the last name?

Mr. SISCO. The Washington Special Action Group, WSAG.

CREATION OF NSC GROUPS

The CHAIRMAN. As far as I know, these groups are not statutory groups. All of these have been generated within the NSC on an *ad hoc* basis. None of them are authorized. As I said yesterday, I believe that if you read the basic National Security Act of 1947, in creating NSC at that time it did not contemplate creating in NSC the major ultimate final policy-making committee. This has all been created within the NSC by executive action, has it not? I don't know whether there have even been executive orders. They have just done it informally; haven't they?

Mr. SISCO. No.

The CHAIRMAN. Describe how they have done it. I didn't mean to put words in your mouth. I don't know how they have. It is not statutory; you agree to that?

Mr. SISCO. The National Security Council is statutory.

The CHAIRMAN. These committes and the way they are set up and their responsibilities are not statutory.

Mr. SISCO. That is correct. The subgroups, which are really what they amount to, are subgroups of the National Security Council; that is correct.

The CHAIRMAN. How were they created? What is the basis for them? You might say what is the legal basis?

Mr. SISCO. It has not been done informally. These are based on, and please don't take this phrase as anything literal because I don't know the literal phraseology—

This is related to the interdepartmental operations of the U.S. Government, a White House announcement of the structure, role and staff of the National Security Council, February 7, 1969, and, Mr. Chairman, it is all described right there.

The CHAIRMAN. A White House announcement?

Mr. SISCO. That is correct.

The CHAIRMAN. That is all I meant. It has all been done by a White House announcement, which isn't quite the same as a statutory body. That is all I am saying.

Mr. SISCO. That is correct.

The CHAIRMAN. That is exactly what I was trying to say. It has all been created by a White House announcement. It is like we used to say that we were committed when the Vice President went to Southeast Asia and made a communique or speech at a banquet. It was the equivalent of a treaty. I remember Mr. Humphrey went out and had a very congenial time with the Prime Minister, I think, of Bangkok. I read in the paper that we were going to take the Great Society to Southeast Asia. Everybody was under the impression that it was just like a treaty.

And a White House announcement is just like a law. We now have an agency to make policy decisions.

OUGHT CONGRESS TO HAVE RELATION WITH NEW ORGANIZATION?

All I am trying to do is to understand it and to see if there is any way the Congress might have some relation with this new organization that has grown up. Do you see what I mean? Don't you think we ought to have some relation?

Mr. SISCO. Oh, absolutely.

The CHAIRMAN. We ought to have an ambassador down there, anyway; don't you think?

Mr. SISCO. I might say that I am struck with the fact that there is a tremendous amount of consultation and exchange of information between the executive and the legislative.

I can understand the desire to know what the procedure is. Personally, Mr. Chairman, I think there is a little too much preoccupation with how foreign policy is made procedurally. I think what is much more important is the substance and a judgment on the substance.

DISILLUSIONMENT REGARDING SUBSTANCE OF FOREIGN POLICY

The CHAIRMAN. If I could offer a comment: The disillusionment on the part of some people as to the substance is the reason they have begun reviewing the procedure by which we got into such a mess. I did not like to challenge the Secretary's very optimistic and I thought overly-

favorable description of the success of our policy. It is a very distasteful role not to engage in self-adulation on all public occasions, at least, because everybody loves that. But the conditions within the country, it strikes me, are the real criteria of how successful our policy has been. To my mind there is no question but that the difficulties we suffer primarily at home are direct fallout from our preoccupation with the war in Vietnam and allied subjects.

I can't believe there is much question that we have neglected these domestic matters in favor of the war and allied activities and that is why we are in such shape. We would never have allowed our cities to go into such chaos and we would never have neglected education and all of these if we hadn't spent over a thousand million dollars on military affairs and our President given 90 percent of his attention to protective reaction strikes on North Vietnam and all allied activities.

It is all right to say the visit to China was a good thing, but that isn't the whole story.

I think you have helped very much in explaining how those committees work. Now I think I know something, at least, about how it works.

PROPOSED EXPENDITURE IN LEBANON

In the next fiscal year the Department proposes to spend $4.6 million for its operation in Lebanon, which has a population of two and a half million people. This is nearly $2 per capita. Why is that so much? This is along the line of a question asked the previous witness. How does it come about that there is such great disparity in the way we set up our budget with some of these small countries? Why is Lebanon a problem country? Do we have a big AID program? What is the reason for such an apparently large expenditure on such a small country?

Mr. SISCO. I think I have an explanation for that, Mr. Chairman. Particularly as I look at the breakdown, the overall figure, as I say, on my book is $4.6 million. The biggest chunk of that, Mr. Chairman, relates to the fact that Beirut is really the regional center of the entire area.

In other words, it is a communications center from our point of view, in the Middle East. There are all sorts of facilities there that not only relate to Lebanon alone, but to the area as a whole.

The CHAIRMAN. A communications center? I thought our communications center for the whole area was Ethiopia.

It is an enormous program.

Mr. SISCO. I think perhaps transportation even more than communications. I think I will let Mr. Hunt just elaborate on that.

The CHAIRMAN. Mr. Hunt, what about that?

Mr. HUNT. Yes, sir; as a transportation center, there is more travel service available in Lebanon.

The CHAIRMAN. Transportation?

Mr. HUNT. Right.

The CHAIRMAN. What kind of airplanes, military?

Mr. HUNT. No, sir; civilan. We have a number of regional people stationed in Lebanon who travel throughout Africa, the Middle East and Southeast Asia. We have a regional doctor there as well.

The CHAIRMAN. The State Department does?

Mr. HUNT. Yes, sir.

The CHAIRMAN. We maintain what, doctors?

Mr. HUNT. We have one doctor, sir, that travels most of the time out of Lebanon. In addition we have regional security people who travel from Lebanon.

The CHAIRMAN. Have what?

Mr. HUNT. Regional security people.

The CHAIRMAN. What would be the regional security people? Do you mean the CIA?

Mr. HUNT. No, sir; State Department. We have both technical security officers and in some cases physical security officers there.

The CHAIRMAN. Mr. Hunt, you can see how ignorant I am, and I apologize for it. It is difficult for me to follow this. As I tell you, this is our first exercise in this field.

Would you be a little plainer as to the function of these people about whom you are talking?

NEW OFFICE BUILDING IN BEIRUT

Mr. SISCO. There is one other point I had recalled to me. We are also in the process of building a new office building in Beirut, the estimate being somewhere around $2 million, and that is big chunk of this, as well.

The CHAIRMAN. So this figure of $4.636 million is not operations? I thought building was a different item.

Mr. SISCO. No; it is the foreign buildings operation.

The CHAIRMAN. That is part of this $4.636?

Mr. SISCO. It is, sir.

The CHAIRMAN. I didn't know that.

Mr. MACOMBER. It is money to build the building.

The CHAIRMAN. Money to build the building is included in that item?

Mr. SISCO. That is right.

The CHAIRMAN. I don't have a breakdown of that kind. All I have is this.

Mr. SISCO. We can give you a statement in the record on that, if you like.

SPENDING IN GREECE AND INDIA

The CHAIRMAN. For example, you are spending $2.3 million in Greece, which has nine million people, and you are spending only two and a half million dollars in India, with a population of 550 million.

Are you doing something in Greece or are you doing nothing in India? What is the situation?

Mr. HUNT. No, sir; I think it equates more to the standard of living within these countries, to rental costs and to salaries for our foreign national employees, which make a significant difference in the total costs.

The CHAIRMAN. You mean they live very well in Greece and very poorly in India?

Mr. HUNT. The local salaries for foreign nationals in Greece are much higher than in India. The rentals are higher in Greece than——

The CHAIRMAN. They are going to be a lot higher when we get another 6,000 Americans in there; aren't they? You are going to need an addition to the budget.

SPENDING IN KUWAIT

In Kuwait, I notice you have $734,000. That is a dollar per capita. What do we do in Kuwait that is so interesting? I thought the Kuwaites didn't have any problems.

Mr. HUNT. No, sir.

The CHAIRMAN. Except how to invest their money.

Mr. HUNT. As members of your staff requested, the $734,000 includes the total cost of our operation. The actual embassy operating cost for the embassy proper is $625,645, including American salaries. Kuwait is being built up somewhat now as our Ambassador there will be accredited to all the new states in the Gulf.

PROPOSED NEW EMBASSIES AND EXPANDED REPRESENTATION, BAHRAIN

The CHAIRMAN. I was going to ask you about that. I thought you had proposed two new embassies, one at Abu Dhabi, and the other at Oman, as well as to expand our representation to Bahrain at an annual cost of $379,000; is that correct?

Mr. HUNT. That is correct.

The CHAIRMAN. Have you withdrawn that?

Mr. HUNT. No, sir.

The CHAIRMAN. I thought you told me Kuwait is going to represent that whole area.

Mr. HUNT. The Ambassador in Kuwait will be resident in Kuwait and will be accredited to the new states in the gulf.

The CHAIRMAN. Then you are not going to open two new embassies, you are merely going to accredit——

Mr. HUNT. We are going to accredit the Ambassador.

The CHAIRMAN. From Kuwait to these countries?

Mr. HUNT. Yes, sir. We will have at each capital a very small physical presence.

The CHAIRMAN. Your proposal says you are going to have eight Americans and eight locals at Abu Dhabi and Oman.

Mr. HUNT. We will have six Americans and 10 locals in Abu Dhabi and Oman.

The CHAIRMAN. What will they be?

Mr. HUNT. They will be called embassies. They will be headed by a chargé d'affaires.

The CHAIRMAN. Are you going to build embassies there?

Mr. HUNT. No, they will be very small. Three Americans will be assigned to each one of these posts, and five foreign nationals.

The CHAIRMAN. So in effect what you are doing is setting up a regional embassy. One ambassador will serve four countries?

Mr. HUNT. Yes, sir.

The CHAIRMAN. You will not build separate embassies for each country. You don't intend to?

Mr. HUNT. That is correct. We will simply have posts there.

The CHAIRMAN. On principle, regardless of the details, I will approve of that. It sounds like a good idea. Why don't we do more of that?

Mr. SISCO. I agree with you, I think it is a very austere arrangement. With the British having gotten out at the end of 1971, we thought

we would try to be sure that the presence was ample, but no more than was necessary.

SERVICING ALL OUT OF KUWAIT SUGGESTED

The CHAIRMAN. I am prompted to ask why you can't service them all out of Kuwait. They are very close together. How far is Abu Dhabi from Kuwait?

Mr. HUNT. Just one moment, sir.

Mr. SISCO. From Kuwait to Abu Dhabi is 520 miles.

The CHAIRMAN. That is only an hour in a jet.

Mr. SISCO. From Kuwait to Muscat is 790 miles. And from Kuwait to Bahrain is 270 miles. So there is a good deal of travel that would be involved.

The CHAIRMAN. That is no distance in a modern jet.

Mr. SISCO. Well, this is not quite Eastern Airlines that runs daily on the hour, Mr. Chairman, in these areas.

The CHAIRMAN. You probably have a Lear jet up there to keep up with the Kuwaites. You can call on ARAMCO and they will lend you one of their jets any time, or ITT, I am sure. (Laughter.)

Anyway, I hope you do hold it down.

DECISION TO OPEN BASE AT BAHRAIN

By the way, did you have anything to do with the decision to open the base at Bahrain, now that we are in that area?

Mr. SISCO. I certainly did.

The CHAIRMAN. Did you recommend it?

Mr. SISCO. I certainly did.

The CHAIRMAN. Why?

Mr. SISCO. For the simple reason that I think the minimal kind of American presence, which is involved in Bahrain, and you will recall, Mr. Chairman, that these were facilities which the British had——

The CHAIRMAN. I know all of the history of it. I am not interested in the history. What I want to know is the reason you have to have this base.

Mr. SISCO. The reason this kind of minimal physical presence is of psychological and political importance to the countries in the area is for them to know that the United States is there.

However, I don't want to give the impression——

The CHAIRMAN. To which countries is it so all-important? Who is panting to have you there on their doorsteps?

Mr. SISCO. Well, for one thing——

The CHAIRMAN. Is the Shah of Iran?

Mr. SISCO. The Shah is agreeable.

The CHAIRMAN. Are you sure he doesn't object?

Mr. SISCO. The Shah has made a public statment, Mr. Chairman, saying that he did not want this area to become an area of major power involvement, and I don't want to give you the impression that we have the agreement with the Shah to our presence. If that is the impression——

The CHAIRMAN. You almost did.

Mr. SISCO. I am glad you caught me, then.

But let me state first of all, we obviously talked over the situation with the Iranians themselves and they are quite agreeable. Secondly, as I said, I think our presence is important as an assurance to our friends, and particularly since it is a very minimal presence——

ASSUMPTION CONCERNING U.S. PRESENCE QUESTIONED

The CHAIRMAN. But this is an assurance and an assumption that our presence in some way protects them from all evil and keeps off the evil eye and gives them an entry into heaven. This is an assumption I don't follow without better evidence than that. I don't believe it. I don't think that these countries, unless they have lost their minds, wish to see built in this area a competition between Russia and the United States. Most countries would like to see these two huge kind of mindless dinosaurs keep out of their backyards. I don't believe they want you in there because you will invite and you will almost induce the Russians to come in in some fashion.

You just assume this. You state it as your opinion. I would like you to make a better case for it than stating it as a fact that there has been an assumption. Here again I don't like to raise a question that Americans aren't loved everywhere and welcomed everywhere and ought to go everywhere, but I don't believe that is a fact any more, especially since Southeast Asia.

I really don't think that the people in Southeast Asia have appreciated what we have done for them.

Why do they want us to establish a new military base right in their backyard when the Russians don't have one?

Mr. SISCO. Well, first of all, I think that in terms of naval capacity in the Persian Gulf and in the subcontinent, I think there is a good deal of Soviet naval capacity, Mr. Chairman.

The CHAIRMAN. But they have no base. They can sail across the ocean; so can we and we do. But that is not quite answering my question.

I would like to know why these little countries there, including Iran—and Iran recently by force took those little islands with odd names. What was the name?

Mr. SISCO. T-u-n-b-s, R-a-s-al, K-h-a-i-m-a-h.

The CHAIRMAN. It is right in their backyard; it is not 10,000 miles away. I am not saying the Iranian action is all right; I don't know anything about that. I shouldn't say it is good or bad. Anyway, they did it. It is a local affair and they are there.

I would like to know why you think that they all are panting to have us come there and uplift their lives?

Mr. SISCO. Well, first let me say I don't think what we have got in Bahrain can fairly be termed a base.

The CHAIRMAN. It is a foot in the door. You have changed the thing. You now have something that can be called a military base.

Mr. SISCO. But we were using the facility before.

The CHAIRMAN. On an informal basis. The British had the base. You were there by sufferance as a sublessee at the will of the British. I know about that. But there was nothing any one could say was an American base.

Mr. SISCO. Basically this is a facility for the use of our Navy and in my judgment, Mr. Chairman, there is nothing inconsistent with having this kind of a very minimal facility available.

By the way, we agree that we should not do something that brings confrontation to the area or brings an arms race into the situation.

The CHAIRMAN. This is just the beginning. If there were the slightest chance that would happen and nothing else would happen, I wouldn't raise the question. But these things all have a way of developing to a degree because of this rivalry that already exists between these two great mindless superpowers who don't know what to do other than to intimidate each other. This is what has been the history nearly everywhere. If we do something, they do it, and if they start an aid program, we start an aid program. Both of us made a failure of most of it. Anyway we both wasted a lot of money.

NEED FOR SECURITY OF U.S. PRESENCE IN AREA QUESTIONED

I honestly don't think there is a scintilla of evidence that the people in the area think they need us for their security because nobody is threatening them, or if anybody threatens them, it is somebody like Iran, their neighbor. I don't think it is our business to go in there and have any interest in protecting Bahrain against Iran. That certainly ought to be a United Nations' duty.

Mr. SISCO. That is not what we have in mind. I think we are relying on the regional states in this section here. This is a minimal facility. I think you would agree, Mr. Chairman, that our ships ought to have a right to freely sail to these places. They have got to put in and get oil somewhere and I think you need this kind of a minimum facility in this part of the world.

But I would agree with you it is not our purpose to establish the kind of situation which stimulates the other side and for this reason we have been ready ot talk about limitations.

The CHAIRMAN. I wish you had done that before you opened the base. I asked Mr. Johnson had they talked and he said yes, they talked. He didn't say how seriously. He didn't wish to volunteer anything further than that. It would have been a lot better, in my view, if we had come to an agreement with them before we did it, to say neither one of us will establish any bases in the area and we can get portage or whatever you like. You can always hire that and they are not going to boycott you and not sell you oil. ARAMCO has enough influence to get you a little oil if you need it for your ships.

CONTINUATION OF PAST POLICY QUESTIONED

I hate to see the continuation of this kind of a policy that has led us into all kinds of involvements in the past. They all started out with little things. The Vietnam war started out with just a little aid to France, way back there, just a little bit. Nobody could seriously challenge giving the poor French who were hard put a little handout and a little more, and the first thing you know, you know what happened. It took about 15 years for it to develop, but it was a major tragedy when it did.

I really wish you would not be so eager to go in there. You implied that these people all wanted us in there. I don't believe they really want us, unless you have better evidence than you have presented now.

It is true when you offer them a big bonus for something the current Prime Minister usually says yes, he would like to have it, but I don't think that is enough evidence.

DEPARTMENT EMPLOYEES IN EGYPT

The Department has 62 employees in Egypt, with whom we do not have diplomatic relations. What is that? That is quite a large number of people in a country whom we don't recognize.

Mr. SISCO. We have what is called an interest section. In other words, we operate under the overall jurisdiction of the Spanish Embassy.

The CHAIRMAN. What do they do?

Mr. SISCO. Our mission is headed by a minister, and regardless of the fact that we do not have diplomatic relations with Egypt, I think you will find that we have a tremendous amount of contact with the Egyptian Government. The lack of diplomatic relations has not in any way minimized the amount of interaction and activities and, in fact, Mr. Chairman, anybody who goes there can't really distinguish between the operation of that center and any ordinary embassy.

There are a good many Americans that go to Egypt. We have to take care of the American citizens who are there as if this were the embassy in Montevideo. In addition, the American University in Cairo which is a very important element and even in the absence of diplomatic relations that university is operating full tilt.

Our interest section in Cairo operates no differently than any other embassy.

By the way, the man who heads up this Egyptian interest section here in Washington does so out of the Indian Embassy. He operates basically the same way as an ambassador.

The CHAIRMAN. It really doesn't make any difference whether they have diplomatic relations or not?

Mr. SISCO. As a practical matter, I have to say very candidly there are no serious difficulties.

ABOLISHING AMBASSADORS

The CHAIRMAN. Think how much money we could save by abolishing all of these ambassadors. What would it amount to? Would it be $10 million or so?

Did you notice it wasn't long ago that there was an article that the Norwegian Government is seriously considering just that, abolishing the embassies, if not all of them, a lot of them, and creating a kind of senior review group to move about in accordance with demand, where there is serious question.

Since you have made such a persuasive case, that it doesn't matter about having an ambassador in Egypt, I think you ought to give serious consideration to that proposal. You would save a lot of money and maybe a lot of embarrassment.

Mr. SISCO. Well, of course, what you are saying is something that is really quite serious. Underlying what you have just said is really what

is the significance of the average embassy in an interdependent world, in a world where we are one world from the technological point of view and where communications have improved. I don't, myself, frankly feel that the ambassador has become obsolete by any manner of means, but I would be the first one to agree with you fully that his role has changed.

The CHAIRMAN. Every time anything is about to happen or anything else in the Middle East out goes Mr. Sisco to do the talking, just as much as Mr. Kissinger goes off to Paris to do that. Isn't that a fact?

Mr. SISCO. Well, not every time, but on occasions.

The CHAIRMAN. Nearly every time. It has a good deal of attraction. Instead of using the embassies to reward public servants who are generous enough with our political parties, we could give them some other kind of recognition like the British do.

Mr. SISCO. I have always felt we need knighthood, myself.

The CHAIRMAN. That is what I think. You took the words out of my mouth. I agree with you.

U.S. AND LOCAL PERSONNEL IN EGYPT

Mr. SISCO. By the way, I would like the record to show that of that 62 that you indicated for Egypt, only 21 are Americans, the rest are locals.

The CHAIRMAN. Really?

Mr. SISCO. Yes, sir.

The CHAIRMAN. We have a few more questions, but the hour is late and I do want to talk to Mr. Newsom a little. Unless you have something further to add, we will submit a few odds and ends that I haven't gotten to for you and Mr. Hunt to answer. You have thrown a great deal of light upon this operation and I appreciate it very much. I think it is a good beginning.

We no doubt will have some questions we will ask you again later on, to clarify the matter, but I think it is a good beginning on a process of trying to understand how our government works.

Mr. Newsom, we are very glad to have you. Do you have a statement? Do you want to read it or summarize it, whichever you like?

STATEMENT OF DAVID D. NEWSOM, ASSISTANT SECRETARY OF STATE FOR AFRICAN AFFAIRS, ACCOMPANIED BY WILLIAM G. BRADFORD, EXECUTIVE DIRECTOR

Mr. NEWSOM. I would like to insert in the record a statement which I have prepared, which gives an overview of the figures in our budget and the purposes and operations of the African Bureau. It might also be helpful to you, Mr. Chairman, if I added to my summary of this a very brief oral statement as to what we conceive our interest and the main thrust of our policies in Africa.

RESPONSIBILITY AND ORGANIZATION OF BUREAU

The Bureau of African Affairs is charged with the responsibility of the general conduct of United States foreign relations with all the countries of the African continent except the Arab Republic of Egypt.

Organizationally, this responsibility will be carried out in fiscal year 1973 by 58 posts abroad and by the bureau here in Washington.

We have 58 posts in Africa staffed by 490 positions which are covered under the administration of foreign affairs section of the authorization request now before you.

In addition to these American positions our posts will have 693 foreign nationals on their rosters.

In addition, there are representatives of other U.S. Government agencies at a few of our African embassies. These include AID, USIA, Peace Corps, Department of Defense, Department of Health, Education, and Welfare, Department of Agriculture, the National Aeronautics and Space Administration, Bureau of Narcotics and Dangerous Drugs, Federal Aviation Administration, American Battle Monuments Commission and the Smithsonian Institution.

Backstopping our posts in the field and assisting the Secretary of State in providing overall direction, coordination, and supervision of interdepartmental activities of the U.S. Government in African countries is the Bureau of African Affairs here in Washington.

This bureau includes 129 American positions covered under Administration of Foreign Affairs in the authorization request. However, as a part of the President's 5 percent reduction program, this number will be reduced to 114 by the start of fiscal year 1973.

INTERDEPARTMENTAL GROUP FOR AFRICA

As Assistant Secretary for African affairs, I am also Chairman of the Interdepartmental Group for Africa, with representatives of other agencies in the same manner as has been the case in the other geographic bureaus whose Assistant Secretaries have appeared before you.

Interdepartmental coordination on African Affairs is a continuous process at all levels of authority beginning with the country officer, with the Assistant Secretary of State, in the key position, coordinating and recommending policy proposals and options.

In addition to frequent informal consultations between officers and the Bureau of African Affairs and their counterpart in other agencies represented in the interdepartmental group, it is my job to ensure coordination also through the formal mechanism of the interdepartmental group meetings and the preparation of policy and contingency papers in the National Security Council process.

MAJOR INTERESTS IN DIPLOMATIC ECONOMIC RELATIONS

I might say a very brief word, Mr. Chairman: We consider that we have four major interests in our diplomatic economic relations with the African countries: (1) access for diplomatic communications with the 41 independent countries of Africa, roughly one-third of the member nations of the United Nations; (2) access on an equitable basis through the resources of Africa, which are becoming increasingly important to the industrial nations of the world; (3) access for this Nation through the trade opportunities from the continent of over 300 million people; and (4) opportunities for transit and communications and protection of our very limited remaining strategic facilities in the continent.

In our view, to achieve these U.S. interests in the African continent, we need to be responsive to the overriding concerns of the African countries with their economic development, which we seek to be through our economic assistance program, Peace Corps, Public Law 480, the Export-Import Bank, and to be responsive also to political concerns, to the extent that it is posible to do so in the continent, which has some remaining serious problems, particularly those of racial confrontation.

COST OF OPERATING BUREAU, FISCAL YEAR 1973

In money and materials the operations of the African Bureau at home and abroad are estimated to cost $23 million in fiscal year 1973, the total made up roughly of $12 million for American salaries and $10, almost $11 million for operating expenses. This is $421,000 more than the estimate for fiscal year 1972. The large proportion of the additional cost being made up of wage and price increases.

Thank you, Mr. Chairman.

(Mr. Newsom's prepared statement follows:)

STATEMENT OF DAVID D. NEWSOM, ASSISTANT SECRETARY FOR AFRICAN AFFAIRS, BEFORE THE FOREIGN RELATIONS COMMITTEE, U.S. SENATE

Mr. Chairman and Members of the Committee, the Bureau of African Affairs is charged with the responsibility of the general conduct of United States foreign relations with all the countries of the African continent except the Arab Republic of Egypt. Organizationally, this responsibility will be carried out in Fiscal Year 1973 by 58 posts abroad and by the Bureau here in Washington.

Our posts abroad are made up of 38 Embassies, 8 Consulates General, 9 Consulates, 1 Embassy Branch Office and 2 Interest Sections, the latter two being in Algeria and Sudan where formal diplomatic relations were broken after the six-day war in 1967. The only sovereign African nation in which we have no representation at this time is Congo (Brazzaville).

The foregoing 58 posts are staffed by 490 American positions, covered under the "Administration of Foreign Affairs" section of the authorization request now before you. The following breakdown of these positions gives a general indication of the kind of work carried out in the field, although one must be careful in generalizing about our small African posts where one officer may well be called upon to perform a great variety of duties. The position breakdwn is as follows:

Executive positions (Ambassadors, principal officers and DCM's)	79
Political officers	66
Economic and commercial officers	41
Consular officers	22
Administration	44
Communications	59
General services	36
Others	42
Secretaries	101

In addition to these American positions, our posts will have 693 foreign nationals on their rosters. Additionally, there are representatives of other U.S. Government agencies at some of our African Embassies. These include AID, USIA, Peace Corps, Department of Defense, Department of Health, Education and Welfare, Department of Agriculture, NASA, Bureau of Narcotics and Dangerous Drugs, Federal Aviation Administration, American Battle Monuments Commission and the Smithsonian Institution.

Backstopping our posts in the field and assisting the Secretary of State in providing overall direction, coordination and supervision of interdepartmental activities of the U.S. Government in African countries is the Bureau of African Affairs here in Washington. At present the Bureau includes 129 American posi-

tions covered under "Administration of Foreign Affairs" in the authorization request you are now considering. However, as a part of the President's 5% reduction program, this number will be reduced to 114 by the start of FY 1973.

Assisting me in directing the functions of the Bureau are three Deputy Assistant Secretaries. The senior Deputy Assistant Secretary acts as my alter ego and has daily responsibilities for covering political developments in Africa. The other two Deputy Assistant Secretaries specialize in policy planning/public affairs and economic affairs, respectively.

The Bureau itself is organized basically on geographic lines with six directors handling the bulk of our daily workload. These are:

Office of Central African Affairs.—Zaire, Rwanda, Burundi, Congo (B), Chad, Mauritius, Malagasy Republic, Gabon, Cameroon, Central African Republic, Equatorial Guinea.

Office of Southern African Affairs.—South Africa, South West Africa, Lesotho, Botswana, Swaziland, Portuguese Guinea, Angola, Mozambique, Rhodesia.

Office of East African Affairs.—Ethiopia, Somali, Afars and Issas, Kenya, Tanzania, Uganda, Malawi, Zambia, Seychelles.

Office of North African Affairs.—Algeria, Morocco, Tunisia, Libya, Mauritania, Sudan, Spanish Sahara.

Office of West African Affairs.—Ghana, Togo, Liberia, Sierra Leone, Dahomey, Mali, Guinea, The Gambia, Niger, Senegal, Upper Volta, Ivory Coast.

Office of Nigerian Affairs.—Nigeria.

In support of these geographic operations are five specialized staffs, namely, the Economic Policy Staff, the Policy Planning Staff, the Public Affairs Staff, the Regional Affairs Staff and the Office of the Executive Director.

In money terms, the foregoing operations at home and abroad are estimated to cost $23,073,000 in FY 1973 under "Administration of Foreign Affairs, Salaries and Expenses." This total is made up of $12,142,500 for American salaries, and $10,930,500 for operating expenses (local salaries, American allowances, travel, rent, communications, utilities and supplies and equipment). This amount is $421,600 more than the estimates for FY 1972. The largest portion of the additional cost is made up of wage and price increases.

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau of African Affairs:)

BUREAU OF AFRICAN AFFAIRS—SUMMARY, DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	614	$10,255,068	619	$10,401,695	619	$10,401,695		
Estimated net cost of permanent American employment (central American salary account) [1]		11,804,654		12,158,500		12,142,500		−$16,000
Operating expense funds managed by this office [2]		10,093,200		10,492,900		10,930,500		+437,600
Total		21,897,854		22,651,400		23,073,000		+421,600

EXPLANATION OF DECREASES AND INCREASES	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decreases:						
Extra day's pay		−$91,800	11		−$19,400	18
New positions in 1972					−18,300	63
Reopening of post					−49,100	63
Total decreases		−91,800			−86,800	
Increases:						
Annualization:						
New positions in 1972		+6,500	11		+10,700	63
1972 local employee wage increases					+42,200	18, 63
Reopening of post					+15,600	63
Within-grade salary increases		+69,300	11		+92,300	19
Local employee wage increases, 1973					+76,300	64
Price increases					+241,300	66
Improved support					+46,000	67
Total increases		+75,800			+524,400	
Net increase/decrease		16,000			+437,600	

[1] In addition to salary costs includes retirement, health benefits, and life insurance contributions; terminal leave; hardship post differential; and similar costs.

[2] Includes salaries for local positions: 1971—693; 1972—693; 1973—693.
Note: Total positions (Americans and locals): 1971—1,307; 1972—1,312; 1973—1,312.

BUREAU OF AFRICAN AFFAIRS.—FISCAL YEAR 1973 ANALYSIS OF RESOURCES BY COUNTRY

	Americans	Locals	Amount
Algeria	14	24	$677,398
Angola	5	9	272,380
Botswana	5	3	271,252
Burundi	6	10	371,200
Cameroon	11	13	655,912
Central African Republic	6	4	394,665
Chad	6	6	461,280
Dahomey	6	6	361,105
Equatorial Guinea	2	2	140,300
Ethiopia	24	22	1,177,927
Gabon	7	7	479,743
Gambia	2	1	118,713
Ghana	20	13	1,032,488
Guinea	9	7	568,930
Ivory Coast	16	16	998,390
Kenya	21	37	1,047,073
Lesotho	3	2	154,648
Liberia	19	34	1,176,130
Libya	17	22	1,036,559
Malagasy Republic	9	12	465,251
Malawi	6	9	298,410
Mali	9	17	430,094
Mauritania	5	4	228,834
Mauritius	5	6	235,279
Morocco	26	56	1,420,490
Mozambique	5	9	290,292
Niger	6	3	358,038
Nigeria	47	103	2,555,835
Rwanda	5	5	305,560
Senegal	12	10	1,807,236
Sierra Leone	7	13	562,140
Somali Republic	10	24	776,465
South Africa	44	54	1,761,058
Southern Rhodesia			69,791
Sudan	5	17	489,868
Swaziland	3	3	179,044
Tanzania	12	17	797,433
Togo	6	12	419,296
Tunisia	14	27	704,540
Uganda	7	9	512,309
Upper Volta	8	6	397,442
Zaire	32	34	1,476,731
Zambia	9	7	525,758
Regional			534,323
Cooperation with private institutions			321,921
Total	491	695	29,319,531

AMBASSADORS ACCREDITED TO AFRICAN COUNTRIES

The CHAIRMAN. You mentioned 41 independent countries. Do each of these have an independent ambassador?

Mr. NEWSOM. The great majority of them have ambassadors in Washington. I don't have the exact figure, but it is around 35 or 36.

The CHAIRMAN. We have 35 or 36?

Mr. NEWSOM. We had 38 ambassadors in Africa. We have 38 posts at which we have ambassadors accredited. In five of these posts are multiple accreditation posts, which in one case one ambassador serves three countries.

The CHAIRMAN. That is what I meant. I am trying to get this straight. You have 38 bodies who are called ambassadors, some of whom are accredited to more than one country. Is that correct?

Mr. NEWSOM. We have 34 bodies.

The CHAIRMAN. 34 bodies?

Mr. NEWSOM. Called ambassadors.

The CHAIRMAN. Thirty-four actual physical ambassadors and they service, in effect, 41 countries?

Mr. NEWSOM. Well, we have three countries with which we have no formal diplomatic relations.

The CHAIRMAN. Then you would have 38. They service 38 countries. There are four of those countries which are under multiple representation?

Mr. NEWSOM. That is right.

OTHER COUNTRIES' AMBASSADORS IN AREA

The CHAIRMAN. Do you know how many ambassadors Great Britain has in the same area?

Mr. NEWSOM. We can provide that for the record, Mr. Chairman, but it is considerably less.

The CHAIRMAN. How about France?

Mr. NEWSOM. France has an ambassador in nearly every African country. They have ambassadors in each one of the 18 countries that are closely associated with France economically.

The CHAIRMAN. I know. They had a very special case, but do you think they have had as many as we do, 34 actual bodies?

Mr. NEWSOM. I would think very close to that.

The CHAIRMAN. How many do the Russians and Chinese have?

Mr. NEWSOM. They have fewer. I would like to supply that.

The CHAIRMAN. Supply it for all of these.

Mr. NEWSOM. All right.

(The information referred to follows:)

OTHER COUNTRIES' REPRESENTATION AT AFRICAN POSTS IN WHICH THE UNITED STATES HAS AN EMBASSY

(Supplied by the Department of State)

Country	British	French	U.S.S.R.	PRC	ROC
Algeria	X	X	X	X	
Botswana	X	X [1]			X
Burundi		X	X	X	
Cameroon	X	X	X	X	
Central African Republic		X	X		X
Chad		X	X		X
Dahomey		X	X		X
Equatorial Guinea		X	X	X	
Ethiopia	X	X	X	X	
Gabon		X			
Gambia	X				X
Ghana	X	X	X		
Guinea			X	X	
Ivory Coast	X	X			X
Kenya	X	X	X	X	
Lesotho	X	X [1]			X
Liberia	X	X			X
Libya	X	X	X		X
Malagasy Republic	X	X			X
Malawi	X	X		X	X
Mali	X	X	X		
Mauritania	X [2]	X	X	X	
Mauritius	X	X	X		
Morocco	X	X	X	X	X
Niger		X			
Nigeria	X	X	X	X	
Rwanda		X	X		X
Senegal	X	X	X		X
Sierra Leone	X	X	X	X	

See footnote at end of table.

OTHER COUNTRIES' REPRESENTATION AT AFRICAN POSTS IN WHICH THE UNITED STATES HAS AN EMBASSY—Continued

(Supplied by the Department of State)

Country	British	French	U.S.S.R.	PRC	ROC
Somali Republic	X	X	X	X	
South Africa	X	X			[3]
Sudan	X	X	X	X	
Swaziland	X	X[1]			X
Tanzania	X	X	X	X	
Togo	X	X	X		X
Tunisia	X	X	X	X	
Uganda	X	X	X	X	
Upper Volta		X	X		X
Zaire	X	X	X		X
Zambia	X	X	X	X	
Total	29	38	29	18	18

[1] Ambassador resident in Luska, Zambia.
[2] Ambassador resident in Dakar, Senegal.
[3] Represented by a counsul general in Johannesburg.

Note: France, U.S.S.R., and PRC have ambassadors in Congo (B) where there is no U.S. representation.

The CHAIRMAN. We are trying to get a picture of how we and other countries do in this respect. Actually, these are the same questions I have asked the other Assistant Secretaries. We are trying to get an overall picture and if I overlook some of these questions, I hope our staff will submit them to you. We are trying to get about the same picture of each regional area.

Mr. NEWSOM. I will be very glad, Mr. Chairman.

The CHAIRMAN. This is one of the aspects of it.

SIZE AND POPULATION OF COUNTRIES

Some of these countries are quite small; aren't they?

Mr. NEWSOM. They are, Mr. Chairman.

The CHAIRMAN. Quite small in population.

Mr. NEWSOM. Small in population, and in territory.

The CHAIRMAN. Some are quite large in territory and still small in population?

Mr. NEWSOM. That is right.

The CHAIRMAN. In any case, we would like to have an understanding of what we are dealing with. Some of these countries, like Swaziland and Botswana, have just become countries. They were the two most recent I can think of at the moment.

SECRETARY GENERAL WAHLDHEIM'S PROGRESS CONCERNING SOUTHWEST AFRICA

How do you pronounce Namibia?

Mr. NEWSOM. Namibia, which is the African name for Southwest Africa.

The CHAIRMAN. It is not yet a country?

Mr. NEWSOM. That is right.

The CHAIRMAN. Mr. Waldheim seemed to think he is making progress toward something, according to the press.

Mr. NEWSOM. The Secretary General's trips to South Africa represent a major breakthrough in two aspects. It represents the first time

that the African nations have agreed to a resolution of the Security Council calling for direct talks on this issue with the South African Government, and it represents the first time that the South African Government has received and discussed this issue with a Secretary General.

The CHAIRMAN. How do you account for that?

Mr. NEWSOM. I can't speak for either the South Africans or the Africans, but I think there has been a gradual recognition on the part of all parties to this dispute that it cannot be solved without these various parties that are directly involved communicating with one another and this process is now beginning.

DEPARTMENT'S POSITION ON LIFTING RHODESIAN CHROME EMBARGO

The CHAIRMAN. You prompted me. Since the UN is involved, what was your position on the lifting of the embargo on Rhodesian chrome?

Mr. NEWSOM. We were opposed to the lifting of the embargo on Rhodesian chrome.

You may remember, Mr. Chairman, I appeared before the Foreign Relations subcommittee. Our feeling was that at a time when the economic sanctions against the Rhodesians, however imperfect they may have been, in many aspects were beginning to make their pressure felt, leading to talks between the British and the Smith regime.

It was not a fortunate time for the United States to depart from its obligations in this matter.

The CHAIRMAN. Did the White House support the State Department's position?

Mr. NEWSOM. We were in effect representing the Administration in our efforts on this.

The CHAIRMAN. I thought they took a decision publicly not to take a position?

Mr. NEWSOM. I believe that incorporated as this legislation was in the military procurement bill, it became a rather complicated legislative matter for the total Administration.

The CHAIRMAN. I was informed today that the first shipment of chrome from Rhodesia is due to arrive about March 15th. So they got underway in a hurry.

On these questions of agency personnel, I have a number of country questions I will supply to you. I will use one as an illustration.

PEACE CORPS PERSONNEL IN ETHIOPIA

Take Ethiopia, which is an important country, but it isn't the largest country in Africa, by any means. I notice you have 389 U.S. personnel and 202 are Peace Corps. What is the explanation for that? Why so many Peace Corps? They total over half of all of the Americans?

Mr. NEWSOM. Ethiopia, since World War II, has expanded its educational and to a considerable extent its technical facilities and in that expansion, particularly in the educational expansion, until their own production of teachers provide the manpower to staff their educational system, they have turned to foreign countries to assist them in this process.

The Peace Corps has been supplying a very important part of the trained manpower needed for the support of and expanding educational system in Ethiopia.

ECONOMIC AID TO ETHIOPIA

The CHAIRMAN. We also give them very substantial economic aid; don't we?

Mrs. NEWSOM. We do, Mr. Chairman.

The CHAIRMAN. 128 American personnel, plus 44 foreign nationals in the AID program there.

Last year, I am informed, we gave them $28 million, in the face of a deficit of $40 billion of our own. This is really an odd world we live; isn't it?

Mr. NEWSOM. Ethiopia is a country with which we have had very close relations and some very specific interests, Mr. Chairman, which both the relations and the interests, I think, have supported in our minds the desirability of responding to their economic needs.

The CHAIRMAN. We are paying a high rent for that space.

AID PROGRAM IN NIGERIA

I notice there is also a large program in Nigeria, 321 Americans. Nigeria is not far from Ethiopia. It is a much larger country in population; is it not?

Mr. NEWSOM. It is the largest in Africa—one fifth of the population of Africa.

The CHAIRMAN. And much more important. They are discovering a great deal of oil there; are they not?

Mr. NEWSOM. That is right, Mr. Chairman.

LACK OF PEACE CORPS IN NIGERIA

The CHAIRMAN. And we are giving them aid, but I don't see any Peace Corps at all. Are they already so educated they don't need the Peace Corps or what is the explanation for that?

Mr. NEWSOM. They do, Mr. Chairman, have a considerably more substantial educational base than Ethiopia. They have several universities and under British administration education was developed. However, we did have Peace Corps in Nigeria until the beginning of the civil war in that country, and the withdrawal or the request for the withdrawal of the Peace Corps was an element in the adjustment of our relations during that civil war.

The CHAIRMAN. They requested they be withdrawn?

Mr. NEWSOM. I was not involved in that at that time, Mr. Chairman, but it was at least by mutual consent.

REIMBURSABLE POSITIONS

The CHAIRMAN. Do the figures you gave in your statement of number of personnel and cost of State activities in your region reflect personnel who are particularly on State payroll but who actually perform functions for other agencies?

Mr. NEWSOM. No, they do not include the so-called reimbursable positions.

The CHAIRMAN. They do not?

Mr. NEWSOM. No.

The CHAIRMAN. Do we have the reimbursable positions, too? You could supply them for the record?

Mr. NEWSOM. Yes, sir.

(The information referred to follows:)

REIMBURSABLE POSITIONS IN AFRICA

(Supplied by Department of State)

There were 377 reimbursable American employees at our posts in Africa as of December 31, 1971.

EXPECTED VACANCIES AND COST OF FILLING THEM

The CHAIRMAN. How many vacancies are there now and expected by the end of the fiscal year in positions within your area both here and abroad? What is the approximate annual cost of filling them?

Mr. NEWSOM. We will have to give you that for the record, Mr. Chairman.

The CHAIRMAN. And since you do that, would you give us how many vacancies you expect in the next fiscal year and how much could be saved if they were not filled.

PASSING UPON AID PROGRAMS

Do you pass upon the AID programs in your area?

Mr. NEWSOM. Yes, sir, Mr. Chairman, we work very closely with the African Bureau of AID and we work with them in setting directions and the general priorities that we will follow. They have major responsibility.

The CHAIRMAN. On both military and economic?

Mr. NEWSOM. Both military and economic.

The CHAIRMAN. Do you have a veto over any projects you don't like?

Mr. NEWSOM. We can exercise a degree of substantial influence over the direction. When it comes to specific projects, we have no formal veto, but on occasion we have discussed with them the desirability of some project and programs have been changed accordingly.

The CHAIRMAN. If there were a disagreement, to whom would you appeal? Who would be the final arbiter?

Mr. NEWSOM. Well, generally speaking, we work out such disagreements within our normal relationship. It may be that they would have to be referred up to the Deputy Under Secretary for Economic Affairs on our side and the Deputy Administrator or the Administrator for AID on their side. If it involved a matter of basic policy toward a country and basic priorities, it would then probably go into the interdepartmental group, and depending on the difficulty of reconciling the issues, could proceed to the Under Secretary's Committee to the Senior Review Group. This has very rarely happened.

The CHAIRMAN. As a procedural matter, that is where it would finally end up if there were a real difference of opinion?

Mr. NEWSOM. That is right.

PASSING UPON PEACE CORPS PROGRAMS AND PUBLIC LAW 480 SALES

The CHAIRMAN. Do you pass, also, upon the Peace Corps programs, Public Law 480 sales?

Mr. NEWSOM. Yes, sir.

The CHAIRMAN. Do you have anything else?

LEGAL RESPONSIBILITIES OF SECRETARY OF STATE

Mr. Reporter, I want to put in the record from the Legislation on Foreign Relations excerpts on the authority and responsibilities of the Secretary of State to show the legal responsibilities of the Secretary of State. (See Appendix.)

There are a number of other questions, but it is so late and you have been so patient sitting here all afternoon, I think I will desist for the moment. I am getting a little punchdrunk myself from so many different questions.

But it has been very interesting and if anything develops we will submit you some further inquiries. I think it has been a very good hearing.

Do you have anything you would like to address to the committee? As you know, we are undertaking a kind of new program. We have never reviewed this budget before and I hope this can be mutually beneficial.

Mr. NEWSOM. Thank you, Mr. Chairman. I have nothing more.

The CHAIRMAN. Do you have any suggestions you would like to give the committee? We are always giving you some. Here is a good opportunity for you to give the committee one.

Mr. NEWSOM. Well, I think the committee and its efficient staff, have a very good grasp of our problems and our possibilities and I would prefer to leave it there, Mr. Chairman.

The CHAIRMAN. I am bound to say I don't think your area or your region is giving us near as much concern as the others; so at least you ought to take some pleasure in that. I am not aware of any new ominous developments.

I hope this thing in Namibia will develop. That is one of the sore spots existing.

CONTROVERSY IN PORTUGUESE AFRICAN TERRITORIES

I might ask you one last question, if you care to comment on it, for my own information.

Is there progress at all in either the settlement or acceptance of the controversy and conflicts that have been bothering the Portuguese territories in Africa? What is the situation there?

Mr. NEWSOM. No; I don't think at this moment we see any movement away from essentially a very, very difficult stalemate, in effect.

The CHAIRMAN. It is a stalemate?

Mr. NEWSOM. In each of the three territories. Perhaps the extent of success of the guerrilla forces has been in territorial terms greatest in so-called Guinea-Bissau, and there are active movements in frontiers in both Mozambique and Angola, but we don't see any dramatic movement in either direction in those conflicts.

REBELLION IN SOUTHERN SUDAN

If you would like to end on a positive note, Mr. Chairman, I would like to note, however, another very tragic and long-standing, another in Africa in the Southern Sudan where there has been since 1955 a movement of rebellion by the tribes of that area against the government in Khartoum. It seems very close to being settled.

A ceasefire has been agreed upon and as a result of conversations which took place between the central government of the Sudan and the Southern Sudanese under the aegis of the OAU (Organization of African Unity) and the Emperor in Addis Ababa. We are hopeful this is going to solve at least one of Africa's several problems.

PRESIDENT MOBUTU'S CRITICISM OF CATHOLICS

The CHAIRMAN. That would be something. One other thing. I noticed in the paper. What is the significance of President Mobutu's criticism of the Catholics and efforts to change all of the names and to do everything to return to what appears to be a rather extreme of nationalism? Is that significant or not?

Mr. NEWSOM. Well, as you know, Mr. Chairman, there has been a trend in what was Congo Kinshasa, now Zaire, to first change the colonial names of these cities so Leopoldville becomes Kinshasa, and then more recently a change in the name of the country itself.

This has now been followed by an edict under which all Congolese, all Zaire who do not already have local names will take tribal names. This has created a certain conflict in the Catholic Church, which is powerful and important, and has created personal difficulties between President Mobutu and the Cardinal who was stationed, who was living in Kinshasa.

It is a problem which grows out of the same kind of movement that one has seen in other African countries of a search for a clearer African identity in the post-colonial period.

The CHAIRMAN. Do you see anything ominous about it as far as we or the outside world is concerned?

Mr. NEWSOM. No, I don't think so, Mr. Chairman. We have been in touch with some of the American missionaries who are in Zaire and feel that there is a process going on of a consolidation of Protestant religious groups and certain nationalization of the Catholic Church which is not uncommon to other newly-independent countries.

The CHAIRMAN. It was a rather curious comment. I read about it. Thank you very much.

We will be in touch about some of these gaps we want to fill in.

Mr. NEWSOM. Thank you, Mr. Chairman.

(Thereupon, at 5:25 p.m. the hearing was adjourned subject to the call of the Chair.)

(Questions submitted to regional assistant secretaries and answers follow:)

QUESTIONS SUBMITTED TO THE REGIONAL ASSISTANT SECRETARIES BY THE CHAIRMAN FOR THE RECORD AND RESPONSE

1. (a) Do you chair any committee or group within the National Security Council system dealing with problems in your area?

(b) Who are the other members of the Committee?

(c) How many times has the Committee met in the last six months?

(d) Would you provide the Committee with a list of the decisions made by that Committee or group within the last six months?

(e) Would you describe what happens after decisions are made or policy papers are approved by your Committee? To what higher "authority", if any, are such matters referred?

(f) Do you attend meetings of the Senior Review Group and the Under Secretary's Committee?

(g) How are decisions of the Senior Review Group and the rationale for them made known within the Executive Branch?

(h) Would you supply for the record any directives relating to the operations of your Committee?

(i) How many policy papers have been prepared by the State Department's Planning and Coordination Staff in the last year concerning problems in your region? Would you supply a list for the record and also a list of the policy memoranda concerning your region prepared under the National Security Council system during this period?

(j) Will you make available to this Committee policy reports prepared under your Committee's auspices or other such materials not prepared personally for the President?

(As of the date of publication no answers had been supplied.)

Question 2. (a) Is the US Ambassador consulted by other agencies before they send out personnel to his country? Can he prevent other agencies from sending people if he does not think it wise? How does he register his objections and what is the process for making the final decision?

Answer. The control of the personnel ceiling of each agency overseas is the responsibility of the NSC Under Secretaries Committee. Once the ceiling is established, any changes must also receive the approval of the Under Secretaries Committee. A position ceiling is also established for each country team by agency with the approval of the Ambassador. Any changes in these ceilings must also have the approval of the Ambassador. Should he object to a change in the ceiling or to the addition of a new element to his country team, he may present his views to the Under Secretaries Committee which is charged with responsibility for the resolution of the issue. If the question relates to the assignment of a specific individual, the name and biographic information is provided to the Ambassador in the case of his deputy or any section chiefs, including senior representatives of other agencies. The Ambassador is requested to provide his specific approval on any such assignments.

Question. (b) Could you, personally, cut back the number of people from the State Department and other agencies assigned to posts in your region, if you wanted to do so?

Answer. Under the general responsibility of the Deputy Under Secretary for Management to allocate the Department's resources a regional Assistant Secretary has operational responsibility for determining the size of the State Department's complement in each post under his jurisdiction. In those instances, in which Foreign Service employees may be involved in providing services of interest to other agencies, any potential reduction is discussed with concerned agencies. Any disagreement in a situation of this kind is brought to the attention of the Secretary, or his designee, for resolution. Assistant Secretaries of State are charged with assisting the Secretary of State in providing over-all direction, coordination, and supervision of inter-departmental activities of the United States Government in the countries in his region. This includes insuring the adequacy of United States policy for the countries in his region and of plans, programs, resources, and performance for implementing that policy.

By Presidential directive, our Ambassadors abroad have full responsibility to direct and coordinate the activities and operations of all elements of their mission, with the exception of military forces in an operational area under the command of a US military commander. This includes not only providing policy

leadership and guidance, but program direction and effective utilization of resources as well.

We consider that Assistant Secretaries of State, acting with and under the authority of the Secretary of State, and through our Ambassadors abroad, can, after proper consultation with the appropriate officials involved, greatly influence the size of missions abroad. As indicated in the above answer, formal approval of the size of other representation lies with the Under Secretaries Committee.

Under Secretaries Committee guidelines require each Chief of a Diplomatic Mission to review total Mission staffing at least once annually both to identify urgent staffing needs and to report marginal and obsolete activities. In addition each Ambassador and agency representatives review the staffings on a day-to-day basis as requirements change.

Question. (c) Who decides how large the US mission in each country will be and what are the factors that bear on such decisions? How are staffing levels reviewed and how often do such reviews take place?

Answer. Under normal circumstances, the size of a US mission abroad depends in the first instance on the Ambassador's recommendation. In making such an analysis, he considers the importance of US interests from a political and economic point of view. He considers commercial opportunities, consular workloads, administrative support requirements, and program and project implementation needs. These Ambassadorial views are reviewed by the agencies in Washington keeping the same general factors in mind.

Question. (d) Would you provide a table comparing the total of the State Department's American positions within your region with ten years ago and the number of State Department personnel (Americans) at each post in your region with the level of ten years ago?

Answer. See following tables.

COMPARISON OF ARA STATE AMERICAN POSITIONS 1964–73 BY COUNTRY AND POST

Country and post	1964	1973
Argentina	50	37
Buenos Aires	(48)	(37)
Cordoba	(2)	(1)
Bahamas, Nassau	[2] 4	9
Barbados, Bridgetown	[2] 6	10
Bolivia	27	19
La Paz	(24)	(19)
Cochabamba	(3)	(1)
Brazil	89	70
Rio de Janeiro	(41)	(25)
Brasilia	(9)	(21)
Belem	(3)	(1)
Belo Horizonte	(3)	(1)
Curitiba	(3)	(1)
Porto Alegre	(3)	(2)
Recife	(8)	(6)
Salvador	(2)	(1)
Sao Paulo	(17)	(14)
British Honduras, Belize	[2] 2	5
Chile	30	26
Santiago	(29)	(26)
Antofagasta	(1)	(1)
Colombia	38	36
Bogota	(28)	(30)
Barranquilla	(4)	(1)
Cali	(4)	(3)
Medellin	(2)	(3)
Costa Rica, San Jose	17	16
Dominican Republic	31	32
Santa Domingo	(29)	(32)
Santiago de los Caballeros	(2)	(1)
Ecuador	31	29
Quito	(23)	(20)
Guayaquil	(8)	(9)
El Salvador, San Salvador	17	18
Guatemala, Guatemala	22	20
Guyana, Georgetown	[2] 5	9
Haiti, Port au Prince	17	17
Honduras	21	16
Tegucigalpa	(18)	(16)
San Pedro Sula	(3)	(1)
Jamaica, Kingston	20	21
Mexico	165	131
Mexico City	(80)	(69)
Ciudad Juarez	(14)	(10)
Guadalajara	(12)	(11)
Hermosillo		(8)
Matamoros	(2)	(1)
Matzatlan	(2)	(2)
Merida	(2)	(2)
Mexicali	(2)	(2)
Monterrey	(16)	(12)
Nogales	(10)	(1)
Nuevo Laredo	(4)	(3)
Piedras Negras	(2)	(1)
Tampico	(2)	(1)
Tijuana	(15)	(11)
Veracruz	(2)	(1)
Netherland Antilles, Curacao	[2] 5	6
Nicaragua, Managua	16	14
Panama	34	25
Panama City	(33)	(25)
Colon	(1)	(1)
Paraguay, Asuncion	16	13
Peru	31	28
Lima	(29)	(28)
Arequipa	(2)	(1)
Suriman, Paramaribo	[2] 5	5
Trinidad, Port of Spain	11	13
Uruguay, Montevideo	24	20
Venezuela	52	35
Caracas	(44)	(35)
Maracaibo	(4)	(1)
Puerto la Cruz	(4)	(1)
Full staffing	32	
Total, overseas	[3] 819	680
Domestic	184	154
Total, ARA	[3] 1,003	834

[1] Post now closed.
[2] These positions were under Bureau of European Affairs in fiscal year 1964.
[3] Includes comparative transfer of 27 positions which were actually under jurisdiction of Bureau of European Affairs in fiscal year 1964.

COMPARISON OF AF STATE AMERICAN POSITIONS, 1964–73, BY COUNTRY

Country	1964	1973
Algeria	19	14
Angola	6	5
Botswana		5
Burundi	9	6
Cameroon	17	11
Central African Republic	8	6
Chad	7	6
Congo B	9	
Dahomey	7	6
Equat. Guinea		2
Ethiopia	24	24
Gagon	8	7
Gambia		2
Ghana	26	20
Guinea	19	9
Ivory Coast	19	16
Kenya	15	21
Lesotho		3
Liberia	17	19
Libya	31	17
Malagasy Republic	10	9
Maiawi		6
Mali	10	9
Mauritania	5	5
Mauritius		5
Morocco	35	25
Mozambique	5	5
Niger	8	6
Nigeria	42	47
Rwanda	5	5
Senagal	16	12
Sierra Leone	10	7
Somali Republic	15	10
South Africa	40	44
Southern Rhodesia	18	
Sudan	12	5
Swaziland		3
Tanzania	10	12
Togo	10	6
Tunisia	17	14
Uganda	10	7
Upper Volta	9	8
Zaire	37	32
Zambia		9
Washington	14	
Total overseas	579	490
Domestic	148	129
Total, AF	727	619

COMPARISON OF NEA STATE AMERICAN POSITIONS 1964–73, BY COUNTRY AND POST

Country and post	1964	1973
Aden: Aden	5	
Afghanistan: Kabul	14	14
A.R.E.:		
Cairo	37	13
Alexandria	5	
Port Said	2	
Subtotal	44	13
Bahrain: Manama		3
Ceylon: Colombo	12	14
Cyprus: Nicosia	8	9
Greece:		
Athens	37	34
Thessaloniki	5	4
Subtotal	42	38
India:		
New Delhi	48	35
Bombay	9	9
Calcutta	11	9
Madras	7	6
Subtotal	75	59
Iran:		
Tehran	33	32
Isfahan	3	
Khorramshahr	2	2
Meshed	1	
Tabriz	3	1
Subtotal	42	35
Iraq:		
Baghdad	25	
Basra	3	
Subtotal	28	
Israel:		
Tel Aviv	34	29
Jerusalem	8	10
Subtotal	42	39
Jordan: Amman	18	16
Kuwait: Kuwait	6	14
Lebanon: Beirut	37	35
Nepal: Kathmandu	7	12
Oman: Muscat		3
Pak stan:		
Islamabad	3	20
Dacca	10	11
Karachi	31	10
Lahore	6	6
Peshawar	4	1
Subtotal	54	48
Saudi Arabia:		
Jidda	21	17
Dhahran	13	3
Subtotal	34	20
Syria:		
Damascus	16	
Aleppo	5	
Subtotal	21	
Turkey:		
Ankara	39	27
Adana	3	3
Istanbul	14	11
Izmir	6	6
Subtotal	62	47
U.A.E.: Abu Dhabi		3
Yemen: Sana'a	4	3
Taiz	7	
Full staffing	23	
Total overseas	585	425
Domestic	111	117
Total, NEA	696	542

COMPARISON OF EA STATE AMERICAN POSITIONS 1964–73, BY COUNTRY AND POST

Country and post	1963	1974
Australia:		
Canberra	20	20
Sidney	11	10
Melbourne	8	6
Perth	2	3
Adelaide	2	
Brisbane	3	2
Burma:		
Rangoon	22	16
Mandalay	1	1
Cambodia: Phnom Penh	13	14
Fiji: Suva	4	3
Hong Kong	52	43
Indoenisa:		
Djakarta	35	36
Medan	3	3
Surabaya	3	3
Japan:		
Tokyo	102	72
Fukuoka	5	3
Kobe	14	8
Nagaya	6	
Sapporo	3	2
Korea: Seoul	35	32
Laos: Vientiane	20	19

Country and post	1964	1973
Malaysia:		
Kuala Lumpur	20	19
Kuching	1	
Naha	2	8
New Zealand:		
Wellington	14	13
Auckland	2	2
Philippines:		
Manila	47	51
Cebu	2	2
Singapore	15	17
Taiwan: Taipei	29	29
Thailand:		
Bangkok	38	69
Chiengmai	2	6
Udorn	1	3
Songkhla		3
Vietnam:		
Saigon	49	71
Hue	2	
Danang		5
Full staffing	25	
Total overseas	613	586
Domestic	137	142
Total, EA	750	728

COMPARISON OF EUR STATE AMERICAN POSITIONS 1964–73, BY COUNTRY AND POST

Country and post	1964	1973
Austria: Vienna	36	29
Belgium:		
Brussels	45	41
Antwerp	3	2
Subtotal	48	43
Bulgaria: Sofia	12	11
Canada:		
Ottawa	31	31
Calgary	4	4
Halifax	2	3
Montreal	16	15
Quebec	5	4
St. John	2	
St. John's	5	2
Toronto	17	13
Vancouver	9	7
Windsor	5	
Winnipeg	5	4
Subtotal	101	83
Czechoslovakia: Prague	15	14
Denmark: Copenhagen	25	19
Finland: Helsinki	18	18
France:		
Paris	151	88
Bordeaux	2	2
Lyon	2	2
Marseille	4	2
Nice	2	2
Strasbourg	3	2
Subtotal	164	98
FWI: Martinique	3	3
Germany:		
Bonn	86	80
Berlin	48	29
Bremen	4	4
Dusseldorf	7	8
Frankfurt	52	35
Hamburg	15	10
Munich	24	15
Stuttgart	11	8
Subtotal	247	189

Country and post	1963	1974
Hungary: Budapest	13	12
Iceland: Reykjavik	12	9
Ireland: Dublin	15	13
Italy:		
Rome	69	62
Florence	6	4
Genoa	8	4
Milan	14	11
Naples	18	15
Palermo	10	7
Trieste	5	1
Turin	5	2
Subtotal	135	106
Luxembourg: Luxembourg	11	10
Malta: Valletta	4	8
Netherlands:		
The Hague	27	24
Amsterdam	4	5
Rotterdam	6	6
Subtotal (Netherlands)	37	35
Caribbean Possessions:		
Curacao	5	
Paramaribo	5	
Total (Netherlands)	47	35
Norway: Oslo	27	22
Poland:		
Warsaw	27	26
Poznan	3	3
Subtotal	30	29
Portugal:		
Lisbon	25	22
Oporto	2	3
Ponta Delgada	3	3
Subtotal	30	28
Romania: Bucharest	12	12
Spain:		
Madrid	46	33
Barcelona	9	6
Bilbao	4	2
Seville	6	4

COMPARISON OF EA STATE AMERICAN POSITIONS 1964–73, BY COUNTRY AND POST—Continued

Country and post	1964	1973
Valencia	3	
Vigo	2	
Subtotal	70	45
Sweden:		
Stockholm	28	25
Goteborg	4	
Subtotal	32	25
Switzerland:		
Bern	22	19
Zurich	8	4
Subtotal	30	23
United Kingdom:		
London	106	85
Belfast	3	2
Birmingham	3	
Edinburgh	2	3
Glasgow	4	
Liverpool	5	3
Southampton	3	
Subtotal (UK)	126	93
Caribbean possessions:		
Barbados	6	
Belize	2	
Georgetown	5	

Country and post	1963	1974
Caribbean Possessions—Continued		
Hamilton	3	4
Nassau	4	
Total (UK)	146	97
U.S.S.R.:		
Moscow	47	44
Leningrad		10
Subtotal	47	54
Yugoslavia:		
Belgrade	31	6
Zagreb	6	6
Subtotal	37	32
U.S. Mission, European Communities (USEC):		
Brussels	23	20
Luxembourg	4	
Subtotal	27	20
Full staffing	62	
Total overseas	1,456	1,087
Domestic	236	207
Total, EUR	1,692	1,294

Question. (e) *Would you provide a table comparing the number of Americans from all agencies assigned to each mission within your region with the number assigned ten years ago?*

Answer. See following tables.

COMPARISON OF NUMBERS OF USG PERSONNEL OVERSEAS, JUNE 30, 1962 AND DECEMBER 31, 1971

The table showing numbers of civilian agency personnel overseas as of December 31, 1971 focuses on that part of the U.S. Government civilian agency presence which comes under jurisdiction of U.S. diplomatic mission chiefs. An equivalent table for 1962 is not readily available. The Civil Service Commission (CSC) annual reports are the best available summary of total USG overseas civilian employment by country for the years before 1969. Copies of the June 30, 1962 report are attached.

The following differences exist in the data base used by CSC as compared with that used for the chart of civilian agency personnel under diplomatic missions as of December 31, 1971:

(a) The CSC report does not include contract employees, Peace Corps volunteers or any military personnel. It does include all DOD civilians and direct hire foreign nationals stationed overseas (most of which are outside diplomatic missions); and employees of all agencies stationed in the Trust Territories. Employees of agencies funded under PASA agreements with AID are reported under the employing agency, not under AID.

(b) The civilian agency personnel chart reflecting employment under diplomatic missions as of December 31, 1971 includes contract employees of all agencies covered in the chart, Peace Corps volunteers, and Coast Guard military personnel under Transportation. It does not include any DOD employees, nor any USG employees in Trust Territories. Employees of agencies funded under PASA agreements are reported under AID.

(c) Most of the overseas employees of the present Transportation Department were reported in 1962 under the Federal Aviation Agency.

In sum, the most significant differences between the 1962 and 1971 charts can be accounted for as follows:

1971 Chart	*1962 Chart*
a. AID/Participating Agency Services Agreement (PASA)	Shown under home agencies: Agriculture, Commerce, HEW, Interior, Transportation, Treasury.
b. Peace Corps Volunteers	Excluded.
c. Contract employees	Excluded.
d. Coast Guard military under Department of Transportation	Excluded.
e. Excluded	Personnel of Commerce and Interior in Trust Territories.
f. Excluded	DOD civilian employees (US & FN).

Attachments: 1962 Civil Service Commission Report; 1971 Table furnished the Congressional Committees.

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT IN FOREIGN COUNTRIES, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962

	All agencies			State			Agency for International Development			Peace Corps			Information Agency			Army		
	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen
Total, all areas	127,352	30,803	96,549	16,789	6,713	10,076	12,794	4,076	8,716	121	80	41	8,076	1,215	6,861	44,154	9,184	34,970
Aden	18	8	10	18	8	10												
Afghanistan	674	231	443	85	53	32	486	118	368	1	1		26	10	16	41	14	27
Algeria	31	18	13	31	18	13												
Angola	15	7	8	15	7	8												
Antarctica	53	53																
Argentina	344	152	192	139	76	63	64	23	41				96	20	76	1	1	
Australia	146	65	81	108	49	59							20	5	15			
Austria	434	121	313	293	98	195							115	15	100	12	3	9
Azores	1,628	174	1,454	15	4	11										21	12	9
Belgian Trust (Ramanda-Urundi)	125	52	73	78	32	46	41	18	23				6	2	4			
Belgium	379	151	228	210	88	122							36	10	26	24	16	8
Bolivia	349	129	220	66	44	22	201	65	136				55	11	44	21	5	16
Bonia Islands	2	2																
Brazil	1,046	420	626	305	152	153	383	159	224	2	2		199	42	157	71	17	54
British Guiana	55	31	24	18	8	10	36	22	14									
British Honduras	17	9	8	6	3	3	9	4	5	2	2							
British West Indies:																		
Bahamas	23	16	7	12	5	7												
Bermuda	870	422	448	11	4	7												
Bimini	3	2	1															
Cayman Islands	5		5															
Jamaica	55	26	29				51	22	29	1	1							
Trinidad	2	1	1															
Not specified	124	56	68	77	33	44							29	5	24			
Bulgaria	30	16	22	38	16	22												
Burma	355	83	272	153	46	107	47	18	29				140	15	125	11	2	9
Cambodia	672	191	481	119	54	65	435	107	328				98	12	86	4	2	2
Cameroon	84	36	48	41	20	21	27	12	15	1	1		14	3	11	1		1
Canada	3,742	425	3,317	291	105	186							10	3	7	56	22	34
Canary Islands	1	1																
Central African Republic	23	9	14	15	8	7							8	1	7			
Ceylon	203	69	134	58	30	28	95	33	62				45	5	40			
Chad	25	12	13	18	10	8							7	2	5			
Chile	392	141	251	108	56	52	171	56	115	1	1		60	9	51	24	5	19
Colombia	309	158	151	106	59	47	118	71	47	5	3	2	42	9	33	22	8	14
Congo, French	3	3					3	3										
Congo, Republic of the	114	77	37	72	61	11							26	11	15	5	1	4

Costa Rica	181	85	96	48	34	14	75	30	45			12	4	8	13	2	11
Crete	1	1															
Cuba	2,525	300	2,225														
Cyprus	304	178	126	280	168	112	12	7	5			11	3	8	1		1
Czechoslovakia	48	17	31	47	17	30											
Dahomay Republic	36	18	18	18	11	7	9	5	4			9	2	7			
Denmark	132	52	80	84	36	48						25	4	21	10	6	4
Dominican Republic	107	60	47	69	37	32	22	16	6	2	2	11	4	7			
East Caribbean and West Indies	79	34	45				79	34	45								
Ecuador	328	139	189	84	48	36	166	69	97	3	2	1	47	11	36	17	3	14
El Salvador	146	84	62	48	33	15	70	40	30	1		1	14	5	9	6	2	4
England	1,663	752	891	463	157	306	4	2	2				69	17	52	8	6	2
Eritrea	23		23															
Ethiopia	812	234	578	115	46	69	183	86	97	6	6		37	8	29	399	28	371
Fiji Islands	7	4	3	7	4	3												
Finland	103	37	66	62	28	34							32	8	24	9	1	8
Formosa (Taiwan)	1,787	213	1,574	152	55	97	402	80	322				87	20	67	145	2	143
France	5,007	2,453	2,554	878	363	515							196	35	161	2,995	1,371	1,624
French West Indies:																		
Martinique	10	1	9															
Not specified	7	2	5	7	2	5							10	1	9			
Gabon	24	12	12	17	10	7												
Germany	6,552	4,482	2,070	1,355	417	938	45	13	32				7	2	5			
Ghana	220	112	108	88	49	39	97	48	49	6	4	2	1,096	91	1,005	2,861	2,814	47
Greece	858	166	692	547	82	465	57	19	38				23	7	16	2		2
Greenland	28	17	11										190	26	164	31	19	12
Guatamala	261	114	147	58	36	22	130	53	77	1	1					15	14	1
Guinea	70	42	28	40	26	14	21	13	8				38	8	30	12	4	8
Haiti	198	101	97	46	26	20	135	70	65				9	3	6			
Honduras	157	81	76	55	31	24	66	37	29				9	2	7	4	1	3
Hong Kong	335	118	217	228	92	136							12	4	8	18	4	14
Hungary	52	18	34	46	16	30							74	11	63	18	3	15
Iceland	766	170	596	27	18	9										6	2	4
India	1,783	368	1,415	563	154	409	492	117	375	2		2	14	2	12			
Indonesia	898	261	637	170	85	85	486	129	357				676	78	598			
Iran	2,071	513	1,558	455	125	330	764	176	588	4	2	2	206	24	182			
Iraq	183	62	121	135	50	85	17	6	11				162	20	142	623	129	494
Ireland	59	18	41	52	15	37							24	4	20	7	2	5
Israel	3,057	75	2,982	128	55	73	43	11	32							2		2
Italy	3,070	857	2,213	745	228	517							29	4	25	2,843		2,843
Ivory Coast	112	49	63	36	19	17	63	27	36				202	32	170	357	357	
													10	2	8			
Japan	4,433	3,559	874	509	202	307	24	7	17									
Jordan	282	113	169	65	36	29	167	56	111				380	52	328	1,601	1,510	91
Kenya	142	57	85	49	21	28	65	28	37	2		2	32	7	25	4		4
Korea	23,236	1,431	21,805	181	68	113	743	162	581				21	5	16			
Kuwait	17	9	8	17	9	8							184	23	161	2,000	1,075	18,925

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT IN FOREIGN COUNTRIES, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962—Continued

	All agencies			State			Agency for International Development			Peace Corps			Information Agency			Army		
	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen	Total	U.S. citizen	Non-citizen
Laos	845	157	688	270	49	221	477	78	399				86	19	67	1		1
Lebanon	447	168	279	222	110	112	42	12	30				148	21	127	9	2	7
Liberia	502	164	38	68	33	35	399	107	292	3	3		23	12	11			
Libya	1,193	286	907	122	54	68	253	100	153				30	8	22	30	3	27
Luxembourg	40	21	19	28	19	9												
Malagasy Republic	52	24	28	25	12	13	17	10	7				10	2	8			
Malaya	115	48	67	59	32	27				6	4	2	43	8	35	1		1
Mali	71	42	29	30	18	12	31	20	11				10	4	6			
Malta	9	4	5	8	3	5												
Mauritania	1	1		1	1													
Mexico	1,087	361	726	437	217	220	55	13	42				152	30	122	15	6	9
Monaco	1	1																
Morocco	835	551	284	150	71	79	106	51	55				162	22	140			
Mozambique	17	8	9	17	8	9												
Nepal	615	107	508	35	18	17	536	70	466	3	3		26	3	23	2		2
Netherlands	264	87	177	163	55	108							15	4	11	27	7	20
Netherlands West Indies:																		
St. Martin	6		6															
Not specified	16	6	10	16	6	10							8	2	6			
New Zealand	50	24	26	40	21	19							12	3	9	9	3	6
Nicaragua	130	64	66	53	23	30	43	23	20				9	2	7			
Niger Republic	29	14	15	17	9	8	3	3										
Nigeria	352	189	163	94	46	48	177	116	61	18	8	10	57	14	43	1		1
North Borneo	4	4								4	4							
Norway	178	59	119	112	44	68							24	4	20	6	6	
Pakistan	1,861	371	1,490	519	113	406	677	139	538	5	4	1	350	41	309	5	5	
Panama	232	123	109	81	56	25	105	43	62				26	5	21	2	1	1
Paraguay	242	78	164	42	27	15	179	45	134				14	4	10	6	2	4
Peru	322	146	176	99	46	53	112	56	56	5	5		42	12	30	34	8	26
Philippines	12,921	896	12,025	515	214	301	233	62	171	15	8	7	568	56	512	199	20	179
Poland	177	44	133	157	40	117										15	2	13
Portugal	151	46	105	112	32	80							17	3	14	8	8	
Rhodesia and Nyasaland, Federation of	147	65	82	67	34	33	48	26	22				29	4	25			

Rumania	43	19	24	34	15	19											7	2	5
Ryukyu Islands	16,595	1,902	14,693														10,932	1,491	9,441
Saudi Arabia	119	54	65	103	48	55													
Senegal	74	40	34	40	22	18	22	14	8				5	2	3	6	2	4	
Sierra Leone	71	34	37	32	14	18	24	14	10	4	2	2	12	4	8				
Singapore	114	45	69	62	33	29							8	1	7				
Somali Republic	182	88	94	43	24	19	121	56	65	1	1		34	6	28	1	1		
Spain	4,112	663	3,449	262	101	161	58	29	29				14	4	10	2	2		
Sudan	247	117	130	71	34	37	133	63	70				106	16	90	21	20	1	
Surinam	37	21	16	12	6	6	23	13	10				28	7	21	2		2	
Sweden	126	51	75	88	40	48													
Switzerland	233	140	93	190	111	79							26	6	20				
Tanganyika	47	28	19	20	10	10	13	13		3	1	2	9	3	6	4	2	2	
Thailand	1,108	369	739	257	103	154	432	150	282	5	3	2	10	3	7				
Togo	47	24	23	28	14	14	9	7	2	1	1		177	30	147				
Trust Territory of Pacific Islands:													9	2	7				
Eniwetok	7	7																	
Korer	8		8																
Kwajalein	19	19																	
Majuro	6		6														19	19	
Penape	8		8																
Saipan	270	18	252																
Truk	9		9																
Yap	8		8																
Not specified	225	215	10																
Tunisia	280	101	179	87	31	56	138	58	80	4	1	3	32	6	26	1		1	
Turkey	2,037	642	1,395	206	113	93	381	158	223	1	1		112	20	92	384	98	286	
Uganda	43	21	22	26	13	13	6	6					11	2	9				
Union of South Africa	122	57	65	97	51	46							13	3	10				
Union of Soviet Socialist Republics	75	61	14	56	56								2	2		14		14	
United Arab Republic:																			
Egypt	112	40	72				102	33	69										
Syria	22	5	17										20	4	16	1		1	
Not specified	577	155	422	262	115	147							142	25	117				
Upper Volta	39	20	19	22	12	10	8	5	3				9	3	6				
Uruguay	144	55	89	67	40	27	10	2	8				50	9	41	12	3	9	
Venezuela	248	124	124	130	80	50	41	17	24	3	3		44	15	29	23	7	16	
Vietnam	1,809	342	1,467	390	95	295	836	208	628				228	23	205	33		33	
Yemen	202	74	128	14	7	7	147	26	121										
Yugoslavia	337	99	238	143	55	88	57	22	35				118	16	102		1		
Zanzivar	14	4	10	8	3	5							6	1	5				
Undistributed	155	154	1				136	136											

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT IN FOREIGN COUNTRIES, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962—Continued

	Navy			Air Force			Treasury			Justice			Interior			Agriculture		
	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States cittzen	Non-citizen	Total	United States citizen	Non-citizen
Total, all areas	18,053	2,222	15,031	24,017	5,431	18,506	109	150	39	191	164	27	322	320	2	647	183	464
Aden																		
Afghanistan													21	21		1	1	
Algeria																		
Angola																		
Antartica													2	2				
Argentina	2		2	23	16	7										5	3	2
Australia	7	3	4										2	2		4	1	3
Austria										6	4	2				5	1	4
Azores	27	1	26	1,565	157	1,408												
Belgium Trust (Rawanda-Urendi)				42	17	25	1		1				1	1		7	5	2
Belgium				2		2							2	2				
Bolivia	2	2																
Bonia Islands	12	1	11	25	3	22	4	4		4	4		14	14		11	6	5
Brazil																		
British Guinea																		
British Honduras																		
British West Indies:																		
Bahamas							5	5		4	4					2	2	
Burmuda	237	106	131	613	303	310	3	3		3	3					1	1	
Bimini																		
Cayman Islands																		
Jamaica																2	1	1
Trinidad																		
Not specified	15	15																
Bulgaria																4	2	2
Burma																		
Cambodia																		
Cameroon																		
Canada	858	41	817	2,365	101	2,264	50	50		42	42					6	4	2
Canary Islands																		
Central African Republic																		
Ceylon	5	1	4															
Chad																		
Chile	11	2	9	3		3							5	5		4	2	2
Columbia				4		4										7	3	4
Congo, French																		
Congo, Republic of the				7		7										2	2	
Costa Rica																3	1	2

Crete				1	1														
Cuba	2,520	298	2,222							5	2	3							
Cyprus																			
Czechoslovakia				1		1													
Dahomey Republic																			
Denmark	7	2	5	1	1											4	2	2	
Dominican Republic	3	1	2																
East Caribbean and West Indies																			
Ecuador	1		1	2		2										2		2	
El Salvador				1		1										2		2	
England [1]	546	183	363	464	333	131	12	10	2	6	6		1	1		11		6	
Eritrea	23		23																
Ethiopia				12		12							27	27		5	5		
Fiji Islands																			
Finland																			
Formosa (Taiwan)	595	29	566	396	20	376				5	2	3	1	1					
France [2]	1	1		526	519	7	16	15	1	6	6					17	6	11	
French West Indies:																			
Martinque																			
Not specified																			
Gabon																			
Germany	5	5		1,081	1,068	13	10	7	3	22	15	7	2	2		11	5	6	
Ghana																			
Greece	1	1		10	10		3		3	6	3	3				5	1	4	
Greenland				13	3	10													
Guatemala				8	3	5										3	1	2	
Guinea																			
Haiti				2		2													
Honduras				1		1													
Hong Kong	1	1					9	7	2							3	2	1	
Hungary																			
Iceland	710	145	565	15	5	10													
India	19	3	16				2	2								21	6	15	
Indonesia	12		12										4	4		3	2	1	
Iran													1	1		6	4	2	
Iraq																			
Ireland																3	1	2	
Israel				7		7										3	1	10	
Italy	1,071	136	935	561	47	514	22	13	9	21	16	5	1	1		22	12		
Ivory Coast				2		2													
Japan	664	584	80	1,158	1,124	34	11	8	3	11	8	3				11	5	6	
Jordan														2	2				
Kenya																5	3		
Korea	298	38	260	1,819	54	1,765	3	3					2	2					
Kuwait																			
Laos																			

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT IN FOREIGN COUNTRIES, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962—Continued

	Navy			Air Force			Treasury			Justice			Interior			Agriculture		
	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen
Lebanon				2	1	1	1	1								6	4	2
Liberia																2	2	
Libya				750	113	637							5	5		2	2	
Luxembourg																		
Malagasy Republic																3	1	2
Malaya																		
Mali																		
Malta																		
Mauritania																		
Mexico[1]							5	5		41	41		3	3		338	29	309
Monaco																		
Morocco	86	78	8	323	323											7	5	2
Mozambique																		
Nepal													2	2				
Netherlands	8	8		12	4	8										11	5	6
Netherlands West Indies:																		
St. Martin																		
Not specified																2	1	1
New Zealand																		
Nicaragua				1		1												
Niger Republic																2	2	
Nigeria																		
North Borneo																		
Norway	8	3	5	27	2	25												
Pakistan				246	12	234							29	29		4	2	2
Panama																		
Paraguay				1		1												
Peru				7	1	6										6	1	5
Philippines	7,070	277	6,793	3,863	196	3,667	26	11	15	5	4	1	2	2		6	4	2
Poland																1	1	
Portugal				10	1	9										4	2	2
Rhodesia and Nyasaland, Federation of																3	1	2
Rumania				2		2												
Ryukyu Islands	1,490	58	1,432	4,173	353	3,820												
Saudi Arabia				5	2	3												

Senegal																	
Sierra Leone																	
Singapore	15	3	12				2	2									
Somali Republic																	
Spain	1,013	93	920	2,634	389	2,245			2	2					6	3	3
Sudan											1	1			1	1	
Surineam																	
Sweden				6	1	5									4	2	2
Switzerland				18	14	4	1	1	2	2	2	2			3	1	2
Tanganyika																	
Thailand	210	66	144	2		2					3	3			4	2	2
Togo																	
Trust Terr. of Pacific Islands	7	7															
Eniwetoc																	
Lerer																	
Kwajalein																	
Majuro																	
Pamape	270	18	252														
Saipan																	
Truk																	
Yap																	
Not specified											181	180	1				
Tunisia				925	228	697	3	3			1	1			1	1	
Turkey											2	2			8	4	4
Uganda																	
Union of South Africa	3	1	2	5		5											
Union of Soviet Socialist Republic	1	1													3	1	2
United Arab Republic:															2	2	
Egypt				3		3											
Syria																	
Not specified	164	9	155								2	2			6	3	5
Upper Volta																	
Uruguay				2		2									3	1	2
Venezuela				4		4									3	2	1
Vietnam	55	1	54	253	1	252											
Yemen																	
Yugoslavia				13	3	10									5	2	3
Zanzibar																	
Undistributed											1		1				

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962—Continued

	Commerce			Health, Education, and Welfare			American Battle Monuments Commission			Atomic Energy Commission			Federal Aviation Agency			National Aeronautics and Space Administration		
	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen
Total, all areas	533	425	108	214	149	65	435	41	394	26	26		191	190	1	12	12	
Aden																		
Afghanistan													13	13				
Algeria																		
Angola																		
Anarctica	49	49		2	2													
Argentina	2	1	1	2	2					2	2		7	7				
Australia	2	2		1	1											2	2	
Austria				3		3												
Azores																		
Belgian Trust (Ruanda-Burundi																		
Belgium							49	5	44	8	8							
Bolivia				1	1								1	1				
Bonim Islands																		
Brazil	3	3		5	5								8	8				
British Guiana				1	1													
British Honduras																		
British West Indies:																		
Bahamas																2	2	
Bermuda													3	2	1			
Bimini																		
Cayman Islands	5		5															
Jamaica				3	3													
Trinidad																		
Not specified	3	3																
Bulgaria																		
Burma																		
Cambodia	14	14		1	1								1	1				
Cameroon																		
Canada	48	48		11	4	7				4	4		1	1				
Canary Islands																1	1	
Central African Republic																		
Ceylon																		
Chad																		
Chile	1	1											2	2		2	2	
Colombia	2	2											3	3				
Congo, French																		
Congo, Republic of the													2	2				

Costa Rica	26	10	16	3	3								1	1				
Crete																		
Cuba																		
Cyprus																		
Czechoslovakia																		
Dahomny Republic																		
Denmark	1	1																
Dominican Republic																		
East Caribbean and West Indes																		
Ecuador				3	3								2	2		1	1	
El Salvador				4	4													
England [1]	18	10	8	9	5	4	17	2	15	4	4		7	7				
Eritrea																		
Ethiopia	21	21		7	7													
Fiji Islands																		
Finland																		
Formosa (Taiwan)													4	4				
France	24	6	18	33	19	14	222	21	201	3	3		6	6				
French West Indies:																		
Martinique																		
Not specified																		
Gabon																		
Germany																		
Ghana	4	2	2	19	2	17							15	15				
Greece				4	4													
Greenland				3		3							5	5				
Guatemala																		
Guinea	9	6	3	2	2													
Haiti																		
Honduras				2	2													
Hong Kong	2	2																
Hungary																		
Iceland																		
India				6	6													
Indonesia	12	12		3	3								2	2				
Iran	46	46		3	3								7	7				
Iraq																		
Ireland	2	2																
Israel	1	1		1	1								2	2				
Italy	3	2	1	12	2	10	46	4	42				6	6				
Ivory Coast				1	1													
Japan	6	4	2	8	8					4	4		7	7				
Jordan	11	11		1	1													
Kenya																		
Korea	1	1		2	2								3	3				
Kuwait																		
Laos	10	10											1	1				
Lebanon	3	3											14	14				
Liberia	6	6											1	1				

PAID CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT, BY AGENCY AND CITIZENSHIP, JUNE 30, 1962—Continued.

	Commerce			Health, Education, and Welfare			American Battle Monuments Commission			Atomic Energy Commission			Federal Aviation Agency			National Aeronautics and Space Administration		
	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen	Total	United States citizen	Non-citizen
Libya				1	1													
Luxembourg							12	2	10									
Malagasy Republic																		
Malaya				3	3													
Mali																		
Malta	1	1																
Mauritania																		
Mexico							3	1	2							1	1	
Monaco				1	1													
Morocco	1	1																
Mozambique																		
Nepal	8	8		3	3													
Netherlands	2	1	1	7	1	6	19	2	17									
Netherlands West Indies:																		
St. Martin	6		6															
Not specified																		
New Zealand																		
Nicaragua	9	9		2	2								1	1				
Niger Republic																		
Nigeria				2	2											1	1	
North Borneo																		
Norway				1		1												
Pakistan	4	4		10	10								12	12				
Panama	10	10		1	1								7	7				
Paraguay																		
Peru	10	10		2	2								4	4		1	1	
Philippines	5	5		1	1		52	2	50				6	6				
Poland																		
Portugal																		
Rhodesia and Myassland, Federation of																		
Rumania																		
Ryukyu Islands																		

| | | |

GLOBAL SUMMARY—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31 1971 (ACTUAL EMPLOYMENT)

	Total all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	5,141	3,523	867	1,495	490	675	377	820	545	656	391	168	152	613
Near East, South Asia	2,747	5,707	934	2,226	431	707	503	1,519	398	1,296	173	448	199	1,433
East Asia, Pacific	6,007	10,963	1,181	2,099	604	883	577	1,216	2,086	3,486	412	2,476	277	1,582
Latin American Republics	5,168	5,097	1,136	1,808	670	879	466	929	692	1,193	338	632	220	672
Europe	2,751	4,906	1,691	2,864	1,214	1,722	477	1,142	12	1			221	909
Total	21,814	30,196	5,809	10,492	3,409	4,866	2,400	5,626	3,733	6,632	1,314	3,724	1,069	5,209

	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	100	86	2,946	21	137	13	7	2				5		6	
Near East, South Asia	72	41	913	8	192	15	31	1	15		2		9	3	10

East Asia, Pacific	50	65	1,747	25	127	26	27	----	49	6	22	1	----	2	1
Latin American republics	89	117	2,373	22	89	59	211	5	5	19	16	2	10	2	13
Europe	----	----	6	----	----	72	76	15	48	29	60	3	36	18	52
Total	311	309	7,985	[2] 76	[2] 545	185	352	23	117	54	100	11	55	31	76

	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Africa	1	----	2	----	85	351	----	2	----	----	----	----	----	----	----	----	----
Near East, South Asia	25	2	----	----	----	----	----	3	1	3	1	2	10	----	----	1	----
East Asia, Pacific	46	11	1	----	1	659	25	40	7	31	26	11	45	14	4	25	277
Latin American republics	84	2	3	----	91	317	----	10	10	21	----	2	2	----	----	----	----
Europe	135	18	13	1	311	529	3	71	10	93	10	47	292	7	----	4	----
Total	291	33	19	1	488	1,856	28	126	28	148	37	62	349	21	4	30	277

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

[2] Includes short-term contract workers.

AFRICA—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Algeria	25	33	23	29	17	24	6	5					2	4
Angola	5	9	5	9	5	9								
Botswana	111	8	6	4	6	3		1	1		1			
Burundi	11	21	10	16	6	9	4	7					1	5
Cameroon	124	55	20	32	10	10	10	22	8	4	7		6	12
Central African Republic	11	12	10	9	7	4	3	5					1	3
Chad	79	31	12	19	7	6	5	13	5				1	6
Dahomey	79	33	9	19	5	4	4	15		2	1		1	7
Equatorial Guinea		2		2		2								
Ethiopia	389	179	52	94	25	20	27	74	51	44	77		7	28
Gabon	9	24	7	19	7	6		13	1				1	5
Gambia, The	61	3	1	1	1	1								
Ghana	434	123	34	50	21	14	13	36	37	39	23	4	7	18
Guinea	15	33	12	28	6	8	6	20	1		1	1	1	4
Ivory Coast	186	84	32	59	17	13	15	46	16	6	1			12
Kenya	491	154	39	74	20	36	19	38	48	39	28	7	7	20
Lesotho	50	10	4	2	4	2			1				1	4
Liberia	534	292	102	77	19	34	83	43	61	83	12		14	111
Libya	32	60	31	54	17	26	14	28					1	6
Malagasy Republic	95	167	7	24	5	13	2	11		1			2	12
Malawi	64	27	14	15	6	7	8	8			20		1	5
Mali	43	57	17	44	9	18	8	26	4				2	5
Mauritania	6	4	5	4	5	4								
Mauritius	30	10	8	6	6	6	2							
Morocco	300	305	48	146	29	55	19	91	41	27	12	4	25	122
Mozambique	5	9	5	9	5	9								
Niger	119	48	9	18	6	3	3	15	10	6			1	7
Nigeria	321	606	74	191	41	97	33	94	116	238	109	126	16	50
Rwanda	6	18	6	17	6	5		12						1
Senegal	144	55	20	22	13	10	7	12	7	11			6	11
Sierra Leone	236	50	10	25	5	13	5	12			7		2	6
Somali Republic	21	57	18	46	11	7	7	39					3	11
South Africa	63	312	55	73	45	57	10	16					6	16
Sudan	11	42	10	30	6	20	4	10					1	12
Swaziland	108	16	4	3	3	3	1		7		1	2		
Tanzania	101	68	17	26	11	17	6	9	19	27	62	1	3	14
Togo	107	50	8	28	6	13	2	15	1	1	3	8	1	8
Tunisia	207	203	29	59	15	28	14	31	44	93	4	7	5	27
Uganda	163	56	13	14	7	10	6	4	27	20	21	6	3	10
Upper Volta	83	32	8	17	7	6	1	11	1		1	1	2	5
Zaire	245	140	60	66	33	34	27	32	35	15		1	13	36
Zambia	18	25	13	15	10	9	3	6	3				2	10
Total	5,142	3,523	867	1,495	49	675	377	820	545	656	391	168	152	613

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Algeria															
Angola															
Botswana	3	2	100	0	2										
Burundi															
Cameroon	4	3	79		4										
Central African Republic															
Chad	3	3	56	2	3										
Dahomey	3	2	65		3										
Equatorial Guinea															
Ethiopia	7	6	195		7										
Gabon															
Gambia, The	2	1	58		1										
Ghana	6	5	325		7							1		1	
Guinea															
Ivory Coast	5	4	124	1	3										
Kenya	6	10	359		2	3	2							1	
Lesotho	1		42	1	4										
Liberia	8	9	333	1	12	3									
Libya															
Malagasy Republic															
Malawi	2	2	27		5										
Mali	2	2	18		6										
Mauritania			1												
Mauritius	2	1	20		3										
Morocco	5	5	163	3	1	2									
Mozambique															
Niger	5	5	94	0	12										
Nigeria						2	1	2							
Rwanda															
Senegal	6	1	105		10										
Sierra Leone	7	6	209	1	13										
Somali Republic															
South Africa						1	2								
Sudan															
Swaziland	2	1	89	5	10										
Tanzania															
Togo	5	5	83	6											
Tunisia	3	5	119		2										
Uganda	3	3	88		3							4		4	
Upper Volta	3	3	68		6										
Zaire	7	2	127	1	18	2	2								
Zambia															
Total	100	86	2,947	21	137	13	7	2				5		6	

Country	Justice		NASA				Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
			Staff		Contract												
	United States	Foreign	United States	Foreign	United States	Foreign	CG military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Algeria																	
Angola																	
Botswana																	
Burundi																	
Cameroon																	
Central African Republic																	
Chad																	
Dahomey																	
Equatorial Guinea																	
Ethiopia																	
Gabon																	
Gambia, The																	
Ghana																	
Guinea																	
Ivory Coast																	
Kenya																	
Lesotho																	
Liberia																	
Libya																	
Malagasy Republic			2		84	130											
Malawi																	
Mali																	
Mauritania																	
Mauritius																	
Morocco		1															
Mozambique																	
Niger																	
Nigeria								2									
Rwanda																	
Senegal																	
Sierra Leone																	
Somali Republic																	
South Africa					1	221											
Sudan																	
Swaziland																	
Tanzania																	
Togo																	
Tunisia												2	10			1	
Uganda																	
Upper Volta																	
Zaire																	
Zambia																	
Total		1	2		85	351		2				2	10			1	

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

NEAR EAST AND SOUTH ASIA—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	369	452	33	66	17	22	16	44	81	222	66	47	5	17
Arab Republic of Egypt	21	67	20	61	14	49	6	12	----	----	----	----	1	6
Bahrain	5	----	5	----	3	----	2	----	----	----	----	----	----	----
Ceylon	28	86	21	52	14	16	7	36	3	2	----	----	4	32
Cyprus	73	117	69	102	10	13	59	89	----	----	----	----	4	15
Greece	180	594	125	333	38	88	87	245	----	----	----	----	52	238
India	830	1,973	137	578	60	125	77	453	110	433	81	326	45	527
Iran	258	272	72	148	37	54	35	94	1	1	----	----	14	82
Israel	71	129	58	96	40	57	18	39	----	1	----	----	7	30
Jordan	40	72	37	42	17	18	20	24	2	17	----	1	1	12
Kuwait	18	23	17	20	10	17	7	3	----	----	----	----	1	3
Lebanon	115	227	85	91	37	45	48	46	1	4	----	----	18	128
Nepal	279	257	31	43	12	10	19	33	36	160	13	7	3	28
Pakistan	219	958	99	384	47	76	52	308	93	338	2	----	23	234
Saudi Arabia	53	103	40	94	24	54	16	40	8	----	----	----	5	9
Turkey	183	372	80	111	48	58	32	53	63	118	11	67	16	72
Yemen	5	5	5	5	3	5	2	----	----	----	----	----	----	----
Total	2,747	5,707	934	2,226	431	707	503	1,519	398	1,296	173	448	199	1,433

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	12	1	168	3	99										
Arab Republic of Egypt						1	3		4				7		8
Bahrain															
Ceylon															
Cyprus						7	18		7				2	1	2
Greece	39	15	405	2	64	1	2	1	4					1	
India	11	13	155	2	22	1	2							1	
Iran															
Israel															
Jordan															
Kuwait						2	1				2				
Lebanon															
Nepal	10	12	185	1	7										
Pakistan						2	2								
Saudi Arabia															
Turkey						1	3								
Yemen															
Total	72	41	913	8	192	15	31	1	15		2		9	3	10

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Afghanistan	1														
Arab Republic of Egypt															
Bahrain															
Ceylon															
Cyprus															
Greece	2	1													
India									3	1					
Iran															
Israel	4														
Jordan															
Kuwait															
Lebanon	6						3	1							
Nepal															
Pakistan															
Saudi Arabi															
Turkey	12	1													
Yemen															
Total	25	2					3	1	3	1					

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

EAST ASIA AND PACIFIC—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia	64	754	51	66	42	49	9	17					7	17
Burma	42	132	38	74	17	28	21	44	1	10		17	3	33
Fiji	175	21	3	3	3	3								
Hong Kong	90	199	63	146	44	112	19	34					8	44
Indonesia	164	232	83	93	42	44	41	49	52	79	9	2	18	57
Japan	247	534	129	268	93	179	36	89					39	197
Ryukyus	27	79	8		2		6		4	3			8	75
Khmer Republic	44	52	29	46	14	11	15	35	11	2			4	4
Korea	529	423	50	88	31	43	19	45	76	198	10	1	16	104
Laos	468	2, 120	62	93	20	33	42	51	325	801	67	1, 190	13	45
Malaysia	513	119	35	34	19	15	16	19			2		6	29
New Zealand	23	31	19	23	15	16	4	7					2	7
Philippines	696	1, 369	170	347	51	81	119	266	78	199	12	13	33	415
Singapore	43	52	28	26	17	15	11	11	1		4		4	26
Taiwan	64	197	46	106	33	53	13	53	3	21			13	59
Thailand	732	1, 150	140	224	85	101	55	123	194	506	61	206	35	180
Tonga	58	4												
Vietnam	1, 903	3, 478	227	473	76	100	151	373	1, 341	1, 667	247	1, 047	68	290
Western Samoa	125	17												
Total	6, 007	10, 963	1, 181	2, 099	604	883	577	1, 216	2, 086	3, 486	412	2, 476	277	1, 582

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia						3	3			1	9				
Burma															
Fiji	4	2	167	1	16										
Hong Kong						4	1								
Indonesia						2	1								
Japan						6	11		33	4	9			1	1
Ryukyus															
Khmer Republic															
Korea	8	18	367		13	2	1								
Laos															
Malaysia	9	18	445	13	36	1	2								
New Zealand						2	1								
Philippines	13	11	327	5	32	2	3		6			1		1	
Singapore															
Taiwan						2	1		10						
Thailand	9	16	271		9	1	3			1	4				
Tonga	3		55		4										
Vietnam						1									
Western Samoa	4		115	6	17										
Total	50	65	1,747	25	127	26	27		49	6	22	1		2	1

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Australia			1	1	659										
Burma															
Fiji															
Hong Kong	9	5							5	2	1	1			
Indonesia															
Japan	9	2				3	26	5	15	4	8		4	2	3	2
Ryukyus													7	1		
Khmer Republic															
Korea															
Laos	1														
Malaysia	2														
New Zealand															
Philippines	4	2				16	3	2	6	20	2	44	1	22	275
Singapore	3					3									
Taiwan															
Thailand	13	2					6		1						
Tonga															
Vietnam	5					3	5		4				2	1	
Western Samoa															
Total	46	11	1	1	659	25	40	7	31	26	11	45	14	4	25	27

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

LATIN AMERICAN REPUBLICS—NUMBERS OF CIVILIAN AGENCY[1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total all agencies		State						AID					
			Total		Direct		Reimbursable		Direct hire including PASA		Contract		USIA	
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina	121	205	63	93	37	43	26	50	5	18	7	23	23	67
Bahamas	23	13	9	12	9	11	----	1	----	----	----	----	----	----
Barbados	229	22	13	16	11	12	2	4	----	----	----	----	1	2
Bolivia	103	201	41	45	19	19	22	26	39	123	15	7	6	26
Brazil	759	761	133	230	68	95	65	135	171	304	67	48	42	134
British Honduras	40	11	5	7	5	7	----	----	----	----	----	----	----	----
Chile	175	423	50	51	24	24	26	27	14	55	7	62	16	39
Colombia	437	262	63	77	35	41	28	36	52	75	35	50	16	27
Costa Rica	201	124	27	46	16	20	11	26	20	27	10	22	4	11
Dominican Republic	227	316	62	176	30	68	32	108	41	59	35	63	4	12
Ecuador	399	336	54	56	27	26	27	30	36	73	22	67	10	24
El Salvador	141	154	29	54	18	19	11	35	27	20	10	57	4	8
Guatemala	267	240	44	37	27	19	22	18	58	100	24	64	7	25
Guyana	32	59	15	20	8	9	7	11	13	22	2	9	2	8
Haiti	34	55	29	47	19	28	10	19	3	----	----	----	2	8
Honduras	229	100	27	48	15	17	12	31	25	23	18	12	4	7
Jamaica	213	74	26	52	20	31	6	21	5	4	1	----	2	6
Mexico	308	758	177	372	132	226	45	146	6	23	3	23	24	127
Netherlands Antilles	6	9	6	9	6	7	----	2	----	----	----	----	----	----
Nicaragua	157	102	22	46	14	17	8	29	21	31	15	9	3	8
Panama	132	147	38	41	25	20	13	21	68	74	12	12	8	20
Paraguay	131	118	19	50	13	17	6	33	32	42	14	13	6	9
Peru	345	277	55	67	28	27	27	40	31	88	17	54	15	29
Surinam	5	5	5	5	5	5	----	----	----	----	----	----	----	----
Trinidad	20	41	16	29	12	18	4	11	----	----	----	----	2	10
Uruguay	86	134	41	46	18	17	23	29	18	23	8	26	6	35
Venezuela	337	139	67	76	34	36	33	40	7	9	5	----	13	30
Regional	11	11	----	----	----	----	----	----	----	----	11	11	----	----
Total	5,168	5,097	1,136	1,808	670	879	466	929	692	1,193	338	632	220	672

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina						7	2			5	1				
Bahamas						3									
Barbados	7	2	207		2					1					
Bolivia															
Brazil	16	26	313	4	6	5	5		5		1		1		1
British Honduras	2	2	33		2										
Chile	2	6	62		3	2	3								
Colombia	9	15	255		14	2	3			2	1			1	
Costa Rica	3	1	120	8	7	2	1								
Dominican Republic	4	2	78	1	3	2	1								
Ecuador	7	10	195	2	4	1	2								
El Salvador	3	3	64	1	10	2	2						1		
Guatemala	3	6	130		6	1	2								
Guyana															
Haiti															
Honduras	5	6	150		4										
Jamaica	4	5	173		1					2	6				
Mexico						28	183			9	7	1	9	1	12
Netherlands Antilles															
Nicaragua	4	1	85	3	7										
Panama	1														
Paraguay	3	2	54	1	2										
Peru	8	17	217	2	6		3								
Surinam															
Trinidad						1	2								
Uruguay	1	3	12				1								
Venezuela	7	10	225		12	3	2	5							
Regional															
Total	89	117	2,373	22	89	59	211	5	5	19	16	2	10	2	13

	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Argentina	10	1						1									
Bahamas	5								1	6							
Barbados																	
Bolivia	2																
Brazil								1		6		1					
British Honduras																	
Chile			2		20	204											
Colombia										2							
Costa Rica								7	9								
Dominican Republic																	
Ecuador			1		71	100											
El Salvador																	
Guatamala																	
Guyana																	
Haiti																	
Honduras																	
Jamaica																	
Mexico	52	1								6		1	2				
Netherlands Antilles																	
Nicaragua	4																
Panama	4																
Paraguay	2							−1									
Peru						13											
Surinam																	
Trinidad										−1							
Uruguay																	
Venezuela	5																
Regional																	
Total	84	2	3		91	317		10	10	21		2	2				

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prohibited.

EUROPE—NUMBERS OF CIVILIAN AGENCY [1] PERSONNEL OVERSEAS UNDER JURISDICTION OF DIPLOMATIC MISSION CHIEFS, DEC. 31, 1971 (ACTUAL EMPLOYMENT)

Country	Total all agencies		State						AID				USIA	
			Total		Direct		Reimbursable		Direct hire including PASA		Contract			
	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria	89	216	70	129	41	58	29	71					14	72
Belgium (Emb)	129	197	76	123	34	58	42	65					12	23
USEC	21	6	21	6	21	4		2						
USNATO	55		55				55							
Bermuda	88	70	4	8	4	6		2						
Bulgaria	17	24	14	21	11	13	3	8					3	3
Canada	206	152	93	139	89	115	4	24					6	9
Czechoslovakia	19	42	16	38	12	20	4	18					3	4
Denmark	43	62	32	41	21	29	11	12					5	18
Finland	36	51	28	31	19	19	9	12					8	20
France (and OECD)	306	681	197	377	126	203	71	174	8	1			18	77
Germany	415	969	278	595	220	259	58	336					51	306
Hungary	17	40	15	37	11	27	4	10					2	3
Iceland	12	18	10	11	10	8		3					2	7
Ireland	14	34	13	32	13	22		10						
Italy	232	609	166	406	122	272	44	134	2				15	101
Luxembourg	13	19	11	9	9	8	2	1						
Malta	16	10	9	10	8	9	1	1					1	
Netherlands	57	130	40	74	34	57	6	17					4	12
Norway	37	59	33	42	23	31	10	11					4	17
Poland	47	106	36	84	30	55	6	29					9	20
Portugal	43	84	38	68	30	56	8	12					3	14
Romania	21	31	17	22	12	12	5	10					4	9
Spain	231	600	66	103	47	63	19	40					9	42
Sweden	46	78	37	47	26	33	11	14					5	22
Switzerland (Bern)	63	51	40	42	24	32	16	10					1	6
Geneva	58	35	58	35	38	29	20	6						
United Kingdom	281	329	113	227	95	168	18	59	2				13	30
U.S.S.R.	72		59		51		8						10	
Yugoslavia	67	203	46	107	33	56	13	51					19	93
Total	2,751	4,906	1,691	2,864	1,214	1,722	477	1,142	12	1			221	909

Country	Peace Corps					Agriculture				Commerce		HEW			
	Staffs			Contract		Staffs		Contract				Staffs		Contract	
	United States	Foreign	Volunteers	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria						1	2						4		6
Belgium (Emb)						8	3		7						
USEC															
USNATO															
Bermuda						1									
Bulgaria															
Canada						2	3			6					
Czechoslovakia															
Denmark						2	3								
Finland															8
France (and OECD)						10	9			6	25		6	1	
Germany						5	8		20	3	10	1	8	1	10
Hungary															
Iceland															
Ireland						1	2								
Italy						11	15		4	2	6		12	2	16
Luxembourg															
Malta			6												
Netherlands						8	8		12	1	4				
Norway															
Poland						2	2								
Portugal						2	2								
Romania															
Spain						3	4		5	2					
Sweden						1	3			1	6			1	
Switzerland (Bern)						3	3	5		1				8	
Geneva															
United Kingdom						7	6	10		7	9	2	6	5	12
U.S.S.R						3									
Yugoslavia						2	3								
Total			6			72	76	15	48	29	60	3	36	18	52

	Justice		NASA Staff		NASA Contract		Transportation			Treasury		ABMC/AEC EPA/Exim		GSA/HUD Interior/Labor		NSF/Smithsonian TVA/VA	
	United States	Foreign	United States	Foreign	United States	Foreign	CG Military	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign	United States	Foreign
Austria	3	3										1					
Belgium (Emb)								21	4			9	37	3			
USEC																	
USNATO										3							
Bermuda	2		2		76	62											
Bulgaria								1		43	1						
Canada	55																
Czechoslovakia																	
Denmark	4																
Finland																	
France (and OECD)	20	2	2	1				1		17	2	25	173	1			
Germany	17	5					1	46	6	9	1			3			
Hungary																	
Iceland																	
Ireland																	
Italy	18	6								12	4	4	39				
Luxembourg												2	10				
Malta																	
Netherlands							2					2	19				
Norway																	
Poland																	
Portugal																	
Romania																	
Spain	7	1	7		137	445										1	
Sweden																3	
Switzerland (Bern)	2																
Geneva																	
United Kingdom	7	1	2		98	22		2		9	2	4	14				
U.S.S.R.																	
Yugoslavia																	
Total	135	18	13	1	311	529	3	71	10	93	10	47	292	7		4	

[1] Excludes staffs of the Department of Defense and other elements, public disclosure of which is prhohibited.

Question. (f) How does the number of people we have here and abroad working on problems relating to your region and the costs of this effort compare with that of other countries—such as the Soviet Union, Germany, Japan, France, and Britain?

Answer. The requested information is not available.

Question. Would you furnish data on the size of the diplomatic and consular staffs from these countries at the three major missions in your region compared to the size of our mission staffs?

Answer. The information that the Department has been able to obtain on this question is included in the response to a similar question posed to the Secretary of State.

Question. (g) How many people do other government agencies have—here and abroad—who work on problems relating to your region? Would you supply an agency-by-agency breakdown for the record, along with the estimated annual costs for each agency?

Answer. (As of date of publication the information had not been supplied.)

Question. (h) Please estimate the adverse impact on our balance of payments from the U.S. personnel stationed in your region, on an agency-by-agency basis.

Answer. (As of date of publication the information had not been supplied.)

3. The U.S. Government Organization Manual, in describing the duties of the regional Assistant Secretaries of State, says that "They also direct, coordinate, and supervise interdepartmental and interagency matters involving these regions."

Question. (a) Do you have the authority to approve or disapprove AID programs—such as development loans—for countries within your region? If not what voice does State have in such decisions? Would you trace the steps in the decision making process on a development loan for a country in your region?

Answer. While the Secretary of State has been given the authority and responsibility for continuous supervision and general direction of assistance programs, he has delegated the operational responsibility to the Administrator of the Agency for International Development.

However, the Department provides guidance on the general direction and priorities in the design of the overall program, ensuring thereby that all aspects—political, military, economic, social are considered. During the preparation of AID's submission to Congress, bureaus offer suggestions on the composition of both the proposed development loan and grant programs. The same process is followed after appropriations have been granted and allocations are to be made. Both the Congressional submissions and the allocation proposals are brought to the respective Assistant Secretaries for review. Any differences between State and AID bureaus are resolved by the Assistant Secretary and the Assistant Administrator or raised to the Under Secretary or Secretary for a decision.

It should be noted that as U.S. Coordinator, Alliance for Progress, the Assistant Secretary for Inter-American Affairs, has authority of an Assistant Administrator of AID to approve or disapprove AID programs such as development loans to countries in the Latin American region. This authority is exercised in practice by the Deputy U.S. coordinator for the Alliance for Progress who is the senior AID official for the Latin America region and who carries the title and authorities of Assistant Administrator of AID.

The request for a loan is initiated by a foreign government. The AID mission in the field discusses the loan proposal with our Ambassador prior to submission to Washington and incorporates his views in transmitting the government's request. After the appropriate surveys, feasibiilty studies and design work have been completed, the proposal is submitted for review to the Development Loan Staff Committee (DLSC). The Department is a voting member of the DLSC where it is represented by the Bureau of Economic Affairs. The regional bureau makes its views on loan proposals available to the State representative on the DLSC prior to the meeting of the Committee.

More specifically, the following is a step-by-step description of the processing of a typical loan request from an AID mission in the ARA area:

75-917 O - 72 - 17

The first formal document bearing specifically on the loan approval process is the Intensive Review Request (IRR). This is a rather short six or seven page document in which the Mission sets forth the outline of the proposed project including an anticipated budget showing the source and application of funds (Borrower and AID). Project objectives are defined, as are any negotiating issues which may be apparent. How the proposed project fits into the country program and its priority within the program is explained as well.

The IRR is reviewed by the Latin America Bureau's Capital Assistance Executive Committee (CAEC). A full discussion of the project is carried out and a basic decision made as to whether or not the Mission should proceed with further development of the loan. If the decision is made to permit the project to move forward, guidelines are provided by the CAEC for the scope and content of the intensive review process which will result in preparation of the Capital Assistance Paper, or, the loan paper.

On completion of the loan paper, again with Embassy concurrence, it is also submitted to the CAEC for review. In every instance, it is presented by a representative of the Mission. The CAEC reviews the loan paper to insure that the project as structured not only meets Agency policy and legal requirements, but also to insure that the proposal is soundly conceived and the procedures regarding disbursements, procurement, borrower operating procedures, etc. are realistic. Any changes required as a result of the CAEC review, are incorporated into the paper which is then reproduced and distributed to members of the Development Loan Committee, which gives final approval to all AID loans. If the loan amount is under $5 million, a formal DLC meeting is not required, although one may be held if any member so desires. For loans of $5 million or above, formal meetings are held. Authorization follows approval of the DLC.

Question. (b) Do you approve all military aid and sales programs for countries within your region? Do you have veto power over a proposed program for a particular country? Who do you appeal to if you object? Would you trace the decision making process on a military aid or sales program for a country in your region?

Answer. A foreign government's request for military assistance generally is submitted to our mission in the overseas country in question, either to the Embassy, itself, or to the Defense Attache or Military Assistance Advisory Group attached to the Embassy.

After consultation on the country team level in the Embassy the request may then be forwarded to Washington via either of two channels: (1) Embassy to State Department, with information copies to the Unified Command and DOD; (2) Military channels, i.e., DATT/MAAG to Unified Command to DOD to State. Comments/recommendations are made by each organization in the channel and, simultaneously provided to all organizations in the other channel.

At the Washington level, the State Department in consultation with Defense and other interested agencies (e.g., OMB, NSC, AID, Treasury, etc.) and mindful of legislation and congressional views, determines whether assistance is to be given, and if so, the general amount and type to be provided. Once a program has been decided upon, DOD is responsible for implementing it, with guidance made available by the State Department and the American mission in the country in question. With the establishment of the Office for Security Assistance Coordination, the internal mechanisms of the Department are in the process of change. The basic proposals, based on field submissions, are developed by this new office. At the same time, the Regional Bureaus develop their own positions which are brought to the Assistant Secretary for review. An Assistant Secretary of State has certain responsibilities in the programming and execution of military aid and sales programs. These responsibilities include participation in the process of determining which countries will receive assistance, the amount of dollar value of the assistance and the major end items which will be provided or purchased. Any differences of views are then discussed by the Assistant Secretary with the Acting Coordinator. Unresolved issues are then examined and resolved by the Security Assistance Program Review Committee, chaired currently by the Under Secretary of State.

Question. (c) *Do you pass on Peace Corps programs for countries within your region? Would you trace the decision making process for Peace Corps programs involving countries in your area?*

Answer. Programs in New Countries or With New Organizations. The Peace Corps obtains State Department concurrence before undertaking discussions or negotiations concerning initiating programs in countries where PCVs are not currently serving or with international organizations to which PCVs are not currently assigned.

Project Development or Modification. Substantial modifications in the scope or level of current programs or the initiation of new projects in P.C. countries are approved by the Ambassador before submission to Peace Corps Washington. In Washington, a program memorandum accompanied by explanatory material describing the project and estimating its cost is submitted to the Department for concurrence prior to implementation by the Peace Corps.

Question. Do you pass on Public Law 480 sales programs for countries within your region? Would you trace the decision making process for PL 480 programs involving countries in your area?

Answer. Before PL 480 sales negotiations and signature of PL 480 sales agreements are authorized, AID must obtain the concurrence of the Department of State, including the appropriate regional bureau.

Executive Order 10900 as amended delegates responsibilities to several U.S. agencies for carrying out The Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The Executive Order provides that all functions, however delegated, are subject to the responsibilities of the Secretary of State with respect to U.S. foreign policy as such policy relates to PL 480. The Secretary of State has delegated to AID the function of negotiating and entering into PL 480 sales agreements with friendly countries. The exercise of this function, however, is subject to the concurrence of the appropriate regional bureau in State.

PL 480 *sales* programs, authorized under Title I of the Act, are requested by host governments. These requests are transmitted to U.S. Missions which forward them to Washington together with their recommendations. The Department of Agriculture presents the requests to the Interagency Staff Committee on PL 480 (ISC), and proposes PL 480 sales programs for consideration. The proposal includes the amounts and kinds of commodites, the financial terms, usual marketing requirements, self-help and other provisions of the agreement. The ISC, which is an advisory committee to the Secretary of Agriculture, is chaired by USDA and includes representatives of State/AID, OMB, Treasury and Commerce. The ISC develops and approves all aspects of each PL 480 sales agreement. The staff committee of National Advisory Council on International Monetary and Financial Policies (NAC) concurs in the financial terms of each PL 480 sales agreement. Changes in the terms and conditions of agreements which may be proposed in the course of negotiations, which are conducted by U.S. Ambassadors in the field, must be authorized by the ISC and if financial terms are involved, by the NAC staff committee.

PL 480 *donation* programs, authorized under Title II of the Act, may be requested by friendly governments, U.S. non-profit voluntary agencies (including CARE, Catholic Relief Services, and other church-related organizations) registered with and approved by the Advisory Committee on Voluntary Foreign Aid and multilateral organizations such as the World Food Program and UNICEF. Food donations are made for disaster relief, (e.g., for relief of earthquake victims in Peru), material/child health, child feeding, food-for-work and other development purposes.

These requests are transmitted to USAIDs which forward them to Washington with their recommendations. AID presents proposed Title II programs to the ISC for approval.

Question 4. Will you supply information concerning the number and costs for personnel in your region who technically are on State payrolls but who actually perform functions for other agencies, broken down by agency to the extent feasible?

Answer. The total number of State personnel whose salaries are reimbursed by other agencies as shown on the table attached in response to a previous question. It should be noted that in the area of administrative support, no one employee is fully funded by any particular agency. A general services officer's salary for example, whose services are utilized by a number of agencies, is charged to all client agencies, including the Department, based on the amount of work-load each agency generates for him. It is therefore not possible to provide a complete answer to the question.

Question 5. How many vacancies are expected by the end of this fiscal year in State Department positions within your region—both here and abroad—and what is the approximate annual cost of filling them? How many vacancies do you expect in the next fiscal year through normal attrition and how much could be saved if they were not filled?

Answer. The answer to these questions can be found in the response to similar questions posed to the Deputy Under Secretary of State for Management.

Question 6. (a) How much will be spent in dollars to buy foreign currencies to support US operations in your area in the next year and how much of that will be used by State? How much by other agencies?

Answer. Foreign currencies must be purchased from commercial sources with dollars to meet official US Government expenditure requirements for a particular currency whenever the US Treasury supply of that currency is exhausted. The Department lacks definitive information for FY 1973 on both the foreign currency requirements of other agencies and the Treasury availabilities of US-owned currencies, and thus cannot provide firm figures on the amounts of currency it will be necessary to purchase with dollars. Agency requirements are subject to the level of appropriations that will be approved for the year and agency reprogrammings during the year. Availabilities of US-owned non-excess currencies in FY 1973 will be determined in part by the level of utilization during FY 1972, dictated by expenditure requirements realized in that year.

While the central accounting system of the Treasury Department does not develop information concerning the amounts of currency expended by agency, agencies are required to report to the Treasury Department annually their expenditures in each currency during the preceding fiscal year for inclusion in the annual report on Overseas Expenditures. The Department believes that the figures reported for FY 1971, adjusted for the impact of changing monetary rates through January of the current year and reduced by the estimated availabilities of US-owned currencies, constitute the most useful estimate available of the amounts of dollars that will be spent during FY 1973 to acquire foreign currencies to support U.S. operations.

Computed on the foregoing basis, the Department estimates that the U.S. Government will find it necessary to spend dollars for the purchase of local currencies to finance U.S. Government operations in the following amounts during FY 1973.

	Amounts in thousands
Africa:	
Department of State	$13.542
Other agencies	23,041
Total	36,583
East Asia and Pacific:	
Department of State	4,886
Other agencies	30,008
Total	34,894
Near East and South Asia:	
Department of State	1,884
Other agencies	12,411
Total	14,295

Latin America:	
Department of State	14,716
Other agencies	55,955
Total	70,671
Europe:	
Department of State	49,730
Other agencies	46,457
Total	96,187

Question (b) How much US-owned foreign currency is available for use next year?

Answer. Below are statements of the US-owned balances of foreign currencies available for US uses by area. The amounts to be available in FY 1973 will be increased above this total by the receipts in fiscal years 1972 and 1973, and reduced by the expenditures in FY 1972. Projecting the FY 1971 experience into fiscal years 1972 and 1973, we estimate the following amounts of currency will be available for expenditure in FY 1973:

EAST ASIA AND PACIFIC

Type	*Amount*
Excess	$14,079
Near-excess	
Non-excess	98,482
Total	112,561

LATIN AMERICA

Non-excess	12,427
Total	12,427

NEAR EAST AND SOUTH ASIA

Excess	1,417,031
Near-excess	23,518
Non-excess	42,798
Total	1,483,347

EUROPE

Excess	435,222
Near-excess	
Non-excess	11,167
Total	446,389

AFRICA

Excess	29,319
Near-excess	24,218
Non-excess	4,201
Total	57,738

NOTE.—All dollar equivalents computed at exchange rates effective in August 1971, expressed in thousands.

Question 7. (a) How many people are there in your region—here and abroad—who work on administrative matters compared with those engaged in substantive activities?

Answer. (See following table.)

	Total	Administrative	Substantive
Latin America:			
Americans:			
Domestic	154	22	132
Overseas	680	103	577
Total	834	125	709
Locals: Overseas	891	377	514
Africa:			
Americans:			
Domestic	129	19	110
Overseas	490	181	309
Total	619	200	419
Locals: Overseas	693	463	230
Near East and South Asia:			
Americans:			
Domestic	117	15	102
Overseas	425	95	330
Total	542	110	432
Locals: Overseas	713	380	, 333
Europe:			
Americans:			
Domestic	207	26	181
Overseas	1, 087	259	828
Total	1, 294	285	1, 009
Locals: Overseas	1, 695	690	1, 005
East Asia and Pacific:			
Americans:			
Domestic	142	15	127
Overseas	586	136	450
Total	728	151	577
Locals: Overseas	909	409	500

Question. (b) Would you supply data concerning the costs for all operating expenses for your region and the number of people paid through this category?

Answer. (See following table.)

Region	Total, all operating expenses including American salaries	Number of personnel, Americans and locals
ARA	$27, 968, 200	1, 725
AF	23, 073, 000	1, 312
NEA	18, 036, 000	1, 255
EUR	45, 283, 600	2, 989
EA	23, 955, 500	1, 637

Question. (c) *How does the amount budgeted for operating expenses compare with the amount spent for these purposes ten years ago?*

Answer. (See following table).

Region	Operating expenses, fiscal year 1964	Operating expenses, fiscal year 1973
AF	$14,689,784	$23,073,000
NEA	12,790,600	18,036,000
ARA	16,317,172	27,869,200
EA	10,593,946	23,955,500
EUR	31,230,500	45,283,600

Question. (d) *What is the estimated annual cost of all employee allowances and benefits for personnel assigned to positions in your region?*

Answer. (See following table).

Region:	*American allowances and benefits*
ARA	$2,805,000
AF	976,000
EUR	2,537,900
EA	1,056,200
NEA	859,600

DEPARTMENT OF STATE APPROPRIATIONS AUTHORIZATION, FISCAL YEAR 1973

FRIDAY, MARCH 10, 1972

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 4221, New Senate Office Building, Senator J. W. Fulbright (chairman of the committee) presiding.

Present: Senators Fulbright, Sparkman, Church, Symington, Aiken, and Cooper.

The CHAIRMAN. The committee will come to order.

Our first witness this morning is Mr. Samuel DePalma, Assistant Secretary of State for International Organization Affairs, accompanied by Mr. Oscar H. Nielson, Executive Director.

Mr. DePalma, we are very pleased to have you.

STATEMENT OF SAMUEL DePALMA, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL ORGANIZATION AFFAIRS, ACCOMPANIED BY OSCAR H. NIELSON, EXECUTIVE DIRECTOR

Mr. DEPALMA. Thank you, Mr. Chairman.

I am very pleased to be here.

The CHAIRMAN. You have a prepared statement, I believe?

Mr. DEPALMA. Mr. Chairman, I have a very brief statement, and, perhaps, if I could just summarize it. It is available to the committee.

AUTHORIZATION REQUEST

The authorization request entitled "International Organizations and Conferences" enables the United States to fund its assessed share of the expenses of the United Nations, eight specialized agencies and the International Atomic Energy Agency, six inter-American organizations, including the Organization of American States, six regional organizations, including NATO and SEATO, and 14 other international organizations, as well as funds to maintain the staffs of seven missions which represent the United States at the headquarters of certain international organizations. It also provides for the coordination of policy guidance and for the administrative support for U.S. participation in multilateral intergovernmental conferences.

Now, the total amount for these activities is $188,263,000. Of the total, $180.9 million is required for the payment of our assessed contributions.

Our participation in these international organizations, Mr. Chairman, as you know, enables us to share with others the responsibilities and costs of efforts to safeguard peace and lessen world tensions, promote economic development, and participate with others in dealing with a wide array of social-and-science related problems of worldwide concern.

This group of appropriations, as I have said, also includes the costs incident to the staffing and maintenance of seven U.S. missions, five of which are located abroad. The cost for salaries and various related housekeeping expenses to maintain our personnel and facilities at these missions amounts to $4,863,000. This figure includes our contributions to assist in meeting the expenses of the U.S. congressional delegation at various interparliamentary groups.

Finally, there is the request for $2.5 million for international conferences and contingencies which includes our official participation in the multilateral intergovernmental conferences and our contributions to six provisional international organizations.

(Mr. DePalma's prepared statement follows:)

STATEMENT OF SAMUEL DEPALMA, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL ORGANIZATION AFFAIRS, BEFORE THE FOREIGN RELATIONS COMMITTEE, U.S. SENATE

Mr. Chairman and Members of the Committee:

The Authorization request entitled "International Organizations and Conferences" enables the United States to fund its assessed share of the expenses of the United Nations, eight specialized agencies and the International Atomic Energy Agency, six Inter-American organizations, including the Organization of American States, six Regional Organizations including NATO and SEATO, and fourteen other international organizations; as well as funds to maintain the staffs of seven Missions which represent the United States at the headquarters of certain international organizations in which the United States has membership. It also provides for the coordination of policy guidance and for administrative support for United States participation in certain scheduled or planned multilateral intergovernmental conferences.

United States membership in each of the organiations cited above is maintained under the authority of treaties, conventions or specific Acts of Congress. An amount of $188,263,000 is required to meet the basic activities, responsibilities and objectives of the program under discussion.

Of the total, $180,900,000 relates to the payment of our assessed contributions. In this connection, Mr. Chairman, the United States participation in these organizations enables us to share with others the responsibilities and costs of efforts to safeguard peace and lessen world tensions, promote economic development, and participate with others in dealing with social and science-related problems of world-wide concern.

United States support of these international organizations is in our national interest. The peacekeeping and peacemaking activities of the United Nations are of great importance to this country. A large part of the activities and programs of the United Nations, its specialized agencies and other organizations concern the economic and social aspects of building a more stable and secure world. Notable among these activities are the preparations underway in the UN for the Environmental Conference this summer, the Law of the Sea Conference in 1973 and the continuing assistance provided to less developed countries by the UN Development Program. Equally important are many other activities of direct benefit which have been sponsored by the United States, such as the World Weather Watch program of the World Meteorological Organization, the anti-smallpox campaign of the World Health Organization, population and drug abuse control activities of the United Nations.

This Authorization includes the costs incident to the staffing and maintenance of seven U.S. Missions, five of which are located abroad—The United States Mission to the European Office of the United Nations and Other International Organizations in Geneva; the United States Mission to International Organizations in Vienna; the United States Mission to the International Civil Aviation Organization in Montreal; the United States Mission to the United Nations Education, Scientific and Cultural Organization in Paris; the United States Mission to the Food and Agriculture Organization in Rome, and the United States Mission to the United Nations in New York and the United States Mission to the Organization of American States in Washington, D.C. The total cost for salaries, and various related housekeeping expenses to maintain personnel and facilities at these various Missions, and funds to assist in meeting expenses of the United States Congressional delegations at various Interparliamentary Groups is $4,863,000.

The International Conferences and Contingencies authorization supports two separate types of activities:

(a) Official United States participation in multi-lateral inter-governmental conferences and

(b) United States contributions to six provisional international organizations.

The Department of State, at the direction of the President, coordinates and supervises this participation for the entire U.S. Government. The total required for Conferences and Contingencies is $2,500,000.

The Bureau of International Organization Affairs, which is funded from the Salaries and Expenses Appropriation is responsible for the administration of these programs. In addition to its responsibilities for the administration of these activities, the Bureau of International Organization Affairs also manages our financial contributions and formulates U.S. policy regarding various United Nations programs which are financed by voluntary appropriations under the Foreign Assistance Act. These appropriations are authorized annually and include such programs as the UN Development Program, the UN Childrens Fund and the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

(Committee staff note: The following tables contain additional information concerning the activities of the Bureau of International Organization Affairs:)

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Contributions to International Organizations

This appropriation provides the United States share of the costs of the United Nations, its eight specialized agencies and the International Atomic Energy Agency; six regional organizations; and fourteen other international organizations.

The United States membership in these organizations, which has been authorized by conventions, treaties or specific acts of Congress, constitutes an obligation for payment of its share of the assessed budgets.

Ten Year History

Year	Amount	Year	Amount
1964	$ 99,679,000	1969	$118,453,000
1965	87,548,000	1970	131,417,400
1966	95,578,000	1971	141,319,000
1967	104,126,000	1972	152,864,000
1968	109,341,400	1973 (est.)	180,900,000

Budget Summary

Appropriation, 1972	$152,864,000
Estimate, 1973	180,900,000
Increase	28,036,000
Less Amounts not Appropriated in Fiscal Year 1972 for the International Labor Organization	- 7,816,337
Increase	20,219,663

Program by Activities	1972	1973	Increase or Decrease
UNITED NATIONS AND SPECIALIZED AGENCIES:			
United Nations	$ 52,437,699	$ 60,119,286	+$ 7,681,587
United Nations Educational, Scientific and Cultural Organization	12,018,301	12,018,301	.....
International Civil Aviation Organization	4,235,983	4,495,063	+ 259,080
World Health Organization	23,741,250	26,341,960	+ 2,600,710
Food and Agriculture Organization	10,083,458	12,150,832	+ 2,067,374
International Labor Organization	7,816,337	8,709,250	+ 892,913
International Telecommunication Union	810,380	966,797	+ 156,417
World Meteorological Organization	774,477	943,489	+ 169,012
Intergovernmental Maritime Consultative Organization	115,463	151,538	+ 36,075
International Atomic Energy Agency	3,977,148	4,882,916	+ 905,768
Subtotal	116,010,496	130,779,432	+ 14,768,936
INTER-AMERICAN ORGANIZATIONS:			
Inter-American Indian Institute	61,561	61,561	.....
Inter-American Institute of Agricultural Sciences	2,960,006	3,196,807	+ 236,801
Pan American Institute of Geography and History	151,300	151,300	.....
Pan American Railway Congress Association	15,000	15,000	.....
Pan American Health Organization	10,436,513	11,313,412	+ 876,899
Organization of American States	18,780,444	20,767,512	+ 1,987,068
Subtotal	32,404,824	35,505,592	+ 3,100,768

Program by Activities (cont.)	1972	1973	Increase or Decrease
REGIONAL ORGANIZATIONS:			
South Pacific Commission	215,309	247,605	+ 32,296
North Atlantic Treaty Organization	5,315,087	6,414,955	+ 1,099,868
North Atlantic Assembly	72,513	79,946	+ 7,433
Southeast Asia Treaty Organization	396,334	452,750	+ 56,416
Colombo Plan Council for Technical Cooperation	9,386	9,753	+ 367
Organization for Economic Cooperation and Development	5,352,123	6,401,758	+ 1,049,635
International Control Commission for Laos	.....	.....	.....
Subtotal	11,360,752	13,606,767	+ 2,246,015
OTHER INTERNATIONAL ORGANIZATIONS:			
Interparliamentary Union	29,350	32,720	+ 3,370
International Bureau of the Permanent Court of Arbitration	1,491	1,550	+ 59
International Bureau for the Protection of Industrial Property	15,000	15,000	.....
International Bureau for the Publication of Customs Tariffs	18,614	19,914	+ 1,300
International Bureau of Weights and Measures	86,460	98,670	+ 12,210
International Council of Scientific Unions and Associated Unions	.....	.....	.....
International Hydrographic Bureau	17,642	17,642	.....
International Wheat Council	38,475	41,980	+ 3,505
International Coffee Organization	253,600	290,000	+ 36,400
International Institute for the Unification of Private International Law	8,982	11,860	+ 2,878
Hague Conference on Private International Law	11,451	12,456	+ 1,005
Maintenance of Certain Lights in the Red Sea	4,471	3,910	- 561
Bureau of International Exhibitions	7,120	7,625	+ 505
Customs Cooperation Council	341,772	385,045	+ 43,273
International Center for the Study of the Preservation and Restoration of Cultural Property	69,837	69,837	.....
Subtotal	904,265	1,008,209	+ 103,944
Total	160,680,337	180,900,000	+ 20,219,663
Less Amount not Appropriated for the International Labor Organization	- 7,816,337	.....	+ 7,816,337
Appropriation or Estimate	152,864,000	180,900,000	+ 28,036,000

Missions to International Organizations

This appropriation provides for the expenses of United States missions to seven international organizations and the expenses of Congressional delegations to four international parliamentary groups.

Ten Year History

Year	Positions: Domestic	Positions: Overseas: Americans	Positions: Overseas: Locals	Positions: Total	Amount
1964	134	34	1	169	$2,500,000
1965	134	56	19	209	3,345,000
1966	134	57	19	210	3,434,000
1967	136	68	25	229	3,770,000
1968	136	64	24	224	3,716,000
1969	129	62	24	215	3,953,000
1970	119	56	24	199	4,368,648
1971	119	56	24	199	4,627,000
1972	113	55	24	192	4,793,000
1973 (est.)	113	55	26	194	4,863,000

Budget Summary

Appropriation, 1972	$4,793,000
Estimate, 1973	4,863,000
Increase	70,000

Program by Activities	1972	1973	Increase or Decrease
United States Mission to:			
United Nations	$2,032,500	$2,054,100	+ $ 21,600
International Organizations, Geneva	1,449,200	1,476,500	+ 27,300
International Organizations, Vienna	513,400	566,300	+ 52,900
International Civil Aviation Organization	151,000	152,900	+ 1,900
Organization of American States	159,500	158,400	- 1,100
United Nations Educational, Scientific, and Cultural Organization	211,300	217,400	+ 6,100
The Food and Agriculture Organization	84,200	82,500	- 1,700
Subtotal	4,601,100	4,708,100	+ 107,000
United States Congressional Groups to:			
Interparliamentary Union	26,900	44,900	+ 18,000
North Atlantic Assembly	30,000	50,000	+ 20,000
Canada-U.S. Interparliamentary Group	30,000	30,000	.....
Mexico-U.S. Interparliamentary Group	30,000	30,000	.....
Subtotal	116,900	154,900	+ 38,000
Total Obligations	4,718,000	4,863,000	+ 145,000
Presidential Reduction - Directive, August 15, 1971	+ 75,000	.....	- 75,000
Appropriation or Estimate	4,793,000	4,863,000	+ 70,000

International Conferences and Contingencies

This appropriation finances United States participation in multilateral intergovernmental conferences and contributions to new or provisional international organizations. The principal expenses of international conference participation are the travel and per diem costs of the United States delegations and certain administrative costs when the United States serves as host country for a conference.

Ten Year History

Year	Amount	Year	Amount
1964	$1,943,000	1969	$1,800,000
1965	1,943,000	1970	2,062,393
1966	1,943,000	1971	2,130,000
1967	1,943,000	1972	2,125,000
1968	1,780,000	1973 (est.)	2,500,000

Budget Summary

Appropriation, 1972	$2,125,000
Estimate, 1973	2,500,000
Increase	375,000

Program by Activities	1972	1973	Increase or Decrease
Participation in international conferences	$1,245,000	$1,513,000	+$ 268,000
Contributions to new or provisional international organizations	880,000	987,000	+ 107,000
Appropriation or Estimate	2,125,000	2,500,000	+ 375,000

U.S. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS, FISCAL YEARS 1971–73, ESTIMATED[1]

[In thousands of dollars]

	State contributions appropriation	1971 foreign assistance voluntary[2]	Other appropriation	State contributions appropriation	1972 foreign assistance voluntary	Other appropriation	State contributions appropriation	1973 foreign assistance voluntary	Other appropriation
United Nations and specialized agencies:									
United Nations	[3] 46,451			[3] 52,438			[3] 60,119		
United Nations Children's Fund		13,000	[4] 4,299		15,000	[4] 4,300		15,000	[4] 4,300
Special contributions for Nigerian relief			[4] 1,142						
United Nations Development program		86,268			86,000			86,000	
United Nations Force in Cyprus		4,800				2,400			4,800
United Nations Fund for Drug Abuse Control		2,000			2,000			5,000	
United Nations Fund for Population Activities		14,000			5,500	7,500		7,500	7,500
United Nations High Commissioner for Refugees program			1,000			1,000			1,000
United Nations Institute for Training and Research		400			400			400	
United Nations Relief and Works Agency		13,300	[4] 8,900		13,300	[4] 8,900		13,300	[4] 8,900
UNRWA—Arab refugee training		1,000							
United Nations volunteers			200			200			200
United Nations South Asian humanitarian assistance:									
United Nations relief operation in East Pakistan			2,000			55,245			200,000
United Nations High Commissioner for refugees			15,500			[5] 75,375			
Food and Agriculture Organization	10,083			10,083			12,151		
UN/FAO—World food program		1,500	[4] 53,065		1,500	[4] 53,065		1,500	[4] 66,500
Intergovernmental Maritime Consultative Organization	112			116			152		
International Atomic Energy Agency	3,672			3,977			4,883		
IAEA—Operational program		1,521			1,550			1,750	
International Civil Aviation Organization	3,848			4,236			4,495		
International Labor Organization	[4] 3,759			[6]			8,709		
International Telecommunication Union	703			810			967		
United Nations Educational, Scientific, and Cultural Organization	10,531			12,018			12,018		
Universal Postal Union			71			84			88
World Health Organization	21,681			23,741			26,342		
International Agency for Research on Cancer		150			312			312	
Special voluntary programs			436						
World Meteorological Organization	775			775			943		
WMO—Voluntary assistance program		1,500			1,500			1,500	
Special contributions for Vietnam		950							
Subtotal	101,615	140,389	86,613	108,194	127,062	208,069	130,779	132,262	293,288

See footnotes at end of table, p. 266.

InterAmerican organizations:						
Organization of American States	16,030		18,780		20,768	
Inter-American Export Promotion Center		587		675		709
Special Development Assistance Fund		4,800		8,400		7,645
Special Multilateral Fund (education and science)		7,208		8,000		9,400
Pan American Health Organization	9,263		10,437		11,313	
Inter-American Indian Institute	62		62		62	
Inter-American Institute of Agricultural Sciences	2,695		2,960		3,197	
Inter-American Tropical Tuna Commission		452		452		533
Pan American Institute of Geography and History	151		151		151	
Pan American Railway Congress Association	5		15		15	
Postal Union of the Americas and Spain		21		25		28
Subtotal	28,206	13,068	32,405	17,552	35,506	18,315
Regional organizations:						
North Atlantic Treaty Organization	5,161		5,315		6,415	
North Atlantic Assembly	60		73		80	
Central Treaty Organization		139		135		135
Multilateral Science Fund		20		20		20
Multilateral Technical Cooperation Fund		105		105		105
Population program		40		45		45
Colombo Plan Council	8		9		9	
Indus Basin Development		4,925		15,000		25,000
Organization for Economic Cooperation and Development	4,955				6,402	
Population Fund			5,352	[1] 100		
Southeast Asia Treaty Organization	310		396		453	
South Pacific Commission	199		215		248	
Subtotal	10,693	5,229	11,360	15,405	13,607	25,305
Other international organizations:						
Customs Cooperation Council	259		324		385	
General Agreement on Tariffs and Trade		624		707		814
Hague Conference on Private International Law	11		12		12	
Intergovernmental Committee for European Migration		3,050		3,250		3,225
International Bureau of Exhibitions	12		7		7	
International Bureau of the Permanent Court of Arbitration	1		1		1	
International Bureau, Protection of Intellectual Property	15		15		15	
International Bureau for the Publication of Customs Tariffs	17		19		20	
International Bureau of Weights and Measures	75		86		99	
International Center, Preservation of Cultural Property			70		70	
International Coffee Organization	230		254		290	
International Commission for Conservation of Atlantic						

See footnotes at end of table, p. 66.

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U.S. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS AND PROGRAMS, FISCAL YEARS 1971–73, ESTIMATED[1]—Continued

[In thousands of dollars]

	State contributions appropriation	1971 foreign assistance voluntary[2]	Other appropriation	State contributions appropriation	1972 foreign assistance voluntary	Other appropriation	State contributions appropriation	1973 foreign assistance voluntary	Other appropriation
Tunas			12			15			25
International Commission for the Northwest Atlantic Fisheries			6			6			6
International Cotton Advisory Committee			21			23			23
International Council for the Exploration of the Sea									12
International Council of Scientific Unions and Associated Unions	97					110			138
International Criminal Police Organization			29			29			53
International Hydrographic Organization	16			18			18		
International Institute for Cotton			1,318			1,074			1,100
International Institute for the Unification of Private Law	8			9			12		
International Lead and Zinc Study Group						555			
International North Pacific Fisheries Commission			23			26			28
International Rubber Study Group			8			9			9
International Secretariat for Volunteer Service		70			73			73	
International Seed Testing Association			1			1			1
International Union of Official Travel Organizations			15			17			18
International Whaling Commission			1			1			1
International Wheat Council	33			39			42		
Interparliamentary Union	27			29			33		
Maintenance of certain lights in the Red Sea	4			4			4		
North Pacific Fur Seal Commission			4			4			4
Permanent International Association of Navigation Congresses			2			2			2
Subtotal	805	70	5,119	905	73	5,279	1,008	73	5,464
Total	141,319	140,459	110,029	152,864	127,135	246,305	180,900	132,335	342,372
Grand total by years, all appropriations		391,807			526,304			655,607	

[1] Includes contributions to public intergovernmental organizations and programs which are administered by the organizations and programs in accordance with their own financial rules and regulations. Contributions and subscriptions to international financial institutions and loans are excluded.

[2] Administered by the Bureau of International Organization Affairs, Department of State, from Technical Assistance and Supporting Assistance Appropriations.

[3] Excludes offsets for repayment of U.N. bonds: Fiscal year 1971, $3,928,000; Fiscal year 1972, $3,874,000; and Fiscal year 1973, $3,879,000.

[4] Public Law 480.

[5] Includes Public Law 480 commodities, valued at $55,125,000, delivered during fiscal year 1971 and fiscal year 1972.

[6] Amounts appropriated by the Congress. Actual requirement was $7,459,000 in fiscal year 1971 and $7,816,000 in fiscal year 1972.

[7] Development loan appropriation.

VOLUNTARY CONTRIBUTIONS TO MULTILATERAL ORGANIZATIONS AND PROGRAMS

[In thousands of dollars]

	Fiscal year 1971 actual	Fiscal year 1972 estimated	Fiscal year 1973 requested
Technical assistance:			
U.N. development program	86,268	86,000	86,000
U.N. Children's Fund	13,000	15,000	15,000
U.N./Food and Agriculture Organization—world food program	1,500	1,500	1,500
U.N. population program	[1] 3,500	[2] 5,500	7,500
U.N. Institute for Training and Research	400	400	400
Special contributions for Vietnam	950		
International Atomic Energy Agency—operational program	1,521	1,550	1,750
World Health Organization—medical research	150	312	312
World Meteorological Organization/voluntary assistance program	1,500	1,500	1,500
International Secretariat for Volunteer Service	70	73	73
U.N. Fund for Drug Abuse Control	2,000	2,000	5,000
U.N. Relief and Works Agency		13,300	13,300
Subtotal	110,859	127,135	132,335
Supporting assistance:			
U.N. Relief and Works Agency	13,300	([3])	([3])
U.N. Force in Cyprus	4,800	2,400	4,800
Subtotal	18,100	[4] 2,400	[5] 4,800
UNRWA-Arab refugee training—subtotal	1,000	([6])	([6])
Total	129,959	129,535	137,135

[1] In addition $10.5 million funded from development loans.
[2] In addition $7.5 million to be funded from other AID appropriations.
[3] Funded under technical assistance.
[4] For period Dec. 16, 1971, to June 15, 1972.
[5] For period June 16, 1972, to June 15, 1973.
[6] $1 million was authorized but not appropriated.

PROVISIONAL INTERNATIONAL ORGANIZATION

The CHAIRMAN. When you say "provisional"——

Mr. DEPALMA. These are termed "provisional," Mr. Chairman, because we do not participate by virtue of treaties of conventions but on the basis of annual appropriations by the Congress. It is not quite an adequate term; it is just one that has customarily been used.

U.N. VOLUNTARY PROGRAMS

The CHAIRMAN. Where do the U.N. Development Fund, the U.N. Children's Fund, the U.N. Relief and working agencies fall within this group?

Mr. DEPALMA. My bureau, the Bureau of International Organization Affairs, is also responsible for managing our contributions and formulating our policy regarding the voluntary programs, Mr. Chairman, including the U.N. Development program, the Children's Fund, and so on. These appropriations, of course, are authorized by the Foreign Assistance Act.

The CHAIRMAN. They are not included in this overall $180 million?

U.N. BASIC CONTRIBUTION

The CHAIRMAN. The United Nations basic contribution is $60,119,000. That is the regular operation? Is that correct?

Mr. DEPALMA. That is correct.

JUSTIFICATION FOR CONTRIBUTION OF ORGANIZATIONS

The CHAIRMAN. The point I would like to make is that I think we all agree that as a general proposition, these activities are useful, but, as has been observed in the case of a number of other operations, it is sometimes quite likely that an organization that had a justification to begin with has become obsolete. I ask you: Do you review the current contributions each of these organizations is making and are you prepared to give an analysis and justification for their continuation as of now?

I have a feeling that some of these may have had, at least, a justification 15 or 20 years ago and that due to changes in our international situation they no longer are really justified by the bureaucratic momentum that develops, which is very difficult to stop.

Are you responsible for justifying each and every one of these activities to which we contribute?

Mr. DEPALMA. Mr. Chairman, I am very much aware of that problem. The situation is that I am specifically responsible for the organizations listed under United Nations and specialized agencies. I can speak, from my own responsibility, to the need of these organizations and what they are doing, and so forth.

With respect to the other organizations, my bureau handles the financial management—that is, we take care of the payments, we provide certain administrative and budgetary advice, on matters of common concern to all international organizations, to the other State bureaus which have the substantive responsibility. However, because we do provide this service, we do periodically, Mr. Chairman, ask whether in fact the organization is viable and whether in fact it is performing services which are worthwhile for the United States—in short, whether our participation, continued participation, is worthwhile.

The CHAIRMAN. Could you provide for the record a list of the bureaus which are responsible for each of these activities?

Mr. DEPALMA. Yes, sir.

The CHAIRMAN. Specifically.

Mr. DEPALMA. Yes, sir.

(The information referred to follows.)

BUREAUS RESPONSIBLE FOR U.S. PARTICIPATION IN INTERNATIONAL ORGANIZATIONS

Organization	State Department, Bureau Responsibility	Program Responsibility
UN and Specialized Agencies		
United Nations	International Organization Affairs	--
UN Children's Fund	" " "	Depart. of Health, Education, Welfare
Special Contributions for Nigerian Relief	" " "	--
UN Development Program	" " "	Agency for International Development
UN Force in Cyprus	" " "	--
UN Fund for Drug Abuse Control	" " "	--
UN Fund for Population Activities	" " "	--
UN High Commissioner for Refugees Program	Special Ass't. to Secretary for Refugee and Migration Matters	
UN Institute for Training and Research	International Organization Affairs	--
UN Relief and Works Agency	" " "	--
UNRWA-Arab Refugee Training	" " "	--
UN Volunteers	" " "	--
UN South Asian Humanitarian Assistance		Peace Corps
UN Relief Operation in East Pakistan	--	Agency for International Development
UN High Commissioner for Refugees	Special Ass't. to Secretary for Refugee and Migration Affairs	--
Food and Agriculture Organization	International Organization Affairs	Depart. of Agriculture
UN/FAO - World Food Program	" " "	" " "
Intergovernmental Maritime Consultative Organization	" " "	Depart. of Transportation/Coast Guard
International Atomic Energy Agency	" " "	Atomic Energy Commission
IAEA - Operational Program	" " "	" " "
International Civil Aviation Organization	" " "	Federal Aviation Administration
		Civil Aeronautics Board
		Depart. of Transportation

International Labor Organization	International Organization Affairs	--
International Telecommunication Union	" " "	Federal Communications Commission
		Office of Telecommunications Policy
UN Educational, Scientific and Cultural Organization	International Organization Affairs	--
Universal Postal Union	--	U.S. Postal Service
World Health Organization	International Organization Affairs	
International Agency for Research on Cancer	" " "	Depart. of Health, Education, Welfare
Special Voluntary Program	" " "	" " " "
World Meteorological Organization	" " "	National Oceanic and Atmospheric Administrat.
WMO-Voluntary Assistance Program	" " "	" " " "
Special Contributions for Viet-Nam	" " "	Agency for International Development
Inter-American Organizations		
Organization of American States	Inter-American Affairs	--
Inter-American Export Promotion Center	" "	AID/Office of Development Programs
Special Development Assistance Fund	" "	AID/Bureau for Latin America
Special Multilateral Fund	" "	AID/ " " " "
Pan American Health Organization	International Organization Affairs	Depart. Health, Education, Welfare
Inter-American Indian Institute	Inter-American Affairs	Department of Interior
Inter-American Institute of Agricultural Services	" "	Department of Agriculture
Inter-American Tropical Tuna Commission	Special Ass't to Secretary for Fisheries and Wildlife	Department of Commerce
Pan American Institute of Geography and History	Inter-American Affairs	Department of Interior
Pan American Railway Congress Association	" "	--
Postal Union of Spain and the Americas	--	U.S. Postal Service
Regional Organizations		
North Atlantic Treaty Organization	European Affairs	--
North Atlantic Assembly	--	Legislative Branch
Central Treaty Organization	Near Eastern and South Asian Affairs	--
Multilateral Science Fund	" " "	--
Multilateral Technical Cooperation Fund	" " "	--
Population Program		

Colombo Plan Council	--	AID-Supporting Assistance
Indus Basin Development	--	AID-Near East and South Asia
Organization for Economic Cooperation and Development	European Affairs	--
Southeast Treaty Organization	East Asian and Pacific Affairs	--
South Pacific Commission	" "	--
Other International Organizations		
Customs Cooperation Council	Economic Affairs	Depart. of Treasury (Bureau of Customs)
General Agreement on Tariffs and Trade	" "	--
Hague Conference on Private International Law	Legal Adviser	--
Intergovernmental Committee on European Migration	Special Ass't. to Secretary for Refugees and Migration Affairs	--
International Bureau of Exhibitions	Public Affairs	--
International Bureau of Permanent Court of Arbitration	Legal Adviser	--
International Bureau, Protection of Intellectual Property (WIPO)	Economic Affairs	--
International Bureau for the Publication of Customs Tariffs	Economic Affairs	Depart. of Treasury/Bureau of Customs
International Bureau of Weights and Measures	International Organization Affairs	National Bureau of Standards
International Center, Preservation of Cultural Property	" " "	Smithsonian Institution
International Coffee Organization	Economic Affairs	Commerce/Agriculture/Treasury
International Commission for Conservation of Atlantic Tunas	Special Ass't. to Secretary for Fisheries and Wildlife	Depart. of Commerce
International Commission for Northwest Atlantic Fisheries	" "	Department of Commerce
International Cotton Advisory Committee	Economic Affairs	Department of Agriculture
International Council for the Exploration of the Sea	Special Ass't. to Secretary for Fisheries and Wildlife	Department of Commerce
International Council of Scientific Unions and Associated Unions	--	National Academy of Sciences
International Criminal Police Organization	--	Department of Treasury
International Hydrographic Organization	International Organization Affairs	National Oceanic and Atmospheric Administrat. Department of the Navy

International Institute for Cotton	--	Department of Agriculture
International Institute for Unification of Private Law	Legal Adviser	--
International Lead and Zinc Study Groups	Economic Affairs	Department of Commerce
International North Pacific Fisheries Commission	Special Ass't. to Secretary for Fisheries and Wildlife	
International Rubber Study Group	Economic Affairs	Department of Commerce
International Secretariat for Volunteer Service	--	Peace Corps
International Seed Testing Association	--	Department of Agriculture
International Union of Official Travel Organizations	--	U.S. Travel Service
International Whaling Commission	Special Ass't. to Secretary for Fisheries and Wildlife	Department of Commerce
International Wheat Council	Economic Affairs	Department of Agriculture
Interparliamentary Union	--	Department of Agriculture
Maintenance of Certain lights in the Red Sea	Economic Affairs	
North Pacific Fur Seal Commission	Special Ass't. to Secretary Fisheries and Wildlife	-- Department of Commerce
Permanent International Association of Navigation Congresses	--	Department of Defense

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Mr. DePALMA. I should add, in some cases there will be other Federal agencies, or departments rather, than the State Department which would be involved.

The CHAIRMAN. Say that again.

Mr. DePALMA. I should have pointed out that in certain cases other Federal departments and agencies are involved.

The CHAIRMAN. I was coming to that. Your State contributions appropriation is $180,900,000. I noticed voluntary foreign assistance is $132,335,000. What is this other appropriation? There is one other appropriation of $342,327,000. This is a very complex table I have been handed. I assume you have a copy of it. You gave it to us, I presume?

Mr. DePALMA. Yes, I think you are looking at the same table I am.

The CHAIRMAN. This is extremely complicated.

Mr. DePALMA. This includes some Public Law 480 moneys as well as appropriations to other agencies of the Government obviously.

The CHAIRMAN. Let me illustrate what I have in mind. There may be justification. I think that we ought to have a current—and I do not know the proper word to use—a rather thorough justification for them under present conditions.

My eye just picks up one or two.

JUSTIFICATION FOR CONTINUING SOME STUDY GROUPS QUESTIONED

You take the International Lead and Zinc Study Group. What in the world is that doing, presently?

Are lead and zinc of such critical importance they have to have a special study group, and what is the importance?

It is the type of thing that strikes me might have been important at the height of the Second World War when there was an acute shortage of zinc. It gets started and nobody is ever able to stop it. This is what I have in mind.

I do not wish to belabor the matter, but I personally feel that is the same thing as about Radio Liberty. There was a reason for it, but times have changed. These are not big amounts individually, but when they are added up it is a very substantial amount. This total is $655 million. It is one example.

What is the International Rubber Study Group?

Rubber is an important matter, but, as a matter of fact, I think we make most of it here. There was a day when it nearly all came from Brazil and Southeast Asia. Now, while natural rubber plays a role, it certainly is not the same industry that it was 25 or 30 years ago. I wonder whether there is really any justification for continuing some of these individual groups.

I can't, certainly, say that I know there is not. But I suspect some of them have seen their day and have served their purpose and probably ought to be abandoned.

JUSTIFICATION FOR CONTINUING ACTIVITIES REQUESTED

I think the purpose of these hearings—and I know we can't do it this morning—but we should have from you and the bureau which is directly carrying on this activity a justification. And when I say "justification," I mean some useful national interest it presently serves.

Mr. DePALMA. Mr. Chairman, I think that is a perfectly valid request. I have documents here which provide that kind of information.

The CHAIRMAN. Do you?

Mr. DePALMA. I think—if you would like, I would be glad to submit it for the record.

The CHAIRMAN. I would like to have them for all of these items for the record.

(The information referred to is in the committee files.)

The CHAIRMAN. But can you give us a few, one or two, examples?

LEAD AND ZINC STUDY GROUP

Mr. DePALMA. Mr. Chairman, the Lead and Zinc Study Group, for example, is a forum for periodic intergovernmental consultations on problems affecting the lead and zinc industry and markets around the world. They publish statistical information which is exceedingly valuable for determining supply and demand.

(The following information was subsequently supplied:)

INTERNATIONAL LEAD AND ZINC STUDY GROUP

(Supplied by Department of State)

The International Lead and Zinc Study Group, with headquarters in New York, provides a forum for periodic intergovernmental consultations on problems affecting the world's lead and zinc industry and a focus for studies of these jointly produced commodities, systematic gathering of current information and examination of probable developments in supply and demand. In this connection, the Group publishes an authoritative monthly statistical bulletin.

The Group's annual plenary meeting, held in November 1971, examined the supply and demand positions of the two metals in detail for the years 1970 and 1971; estimates through 1973 also were tabulated. It is expected that this exchange of information will help the industry to maintain the relative stability it has enjoyed over the past several years.

The CHAIRMAN. Could I ask why the lead and zinc industry does not support it?

Why does the government support it?

I do not say that lead and zinc is not important; of course, every metal is important.

Mr. DePALMA. That, exactly, is the point. There is this governmental interest and therefore governmental support.

The CHAIRMAN. Why is there governmental interest specifically in that as opposed to others? Is there one on aluminum?

Mr. DePALMA. No, sir.

The CHAIRMAN. On copper?

Mr. DePALMA. No, sir.

The CHAIRMAN. Aluminum is, certainly, an important metal, too. This is why I wondered. America at some point had particular interest, but, now, does it still have? I do not know whether lead and zinc is any more important than aluminum.

Is there one on steel? It is certainly important.

They are all important.

Just to say that lead and zinc is important is not enough. There has to be some distinction about this that justifies the government's doing it.

I see no reason why the lead and zinc industry can't do it. How much does it amount to?

I have forgotten. Is that $500,000? Or what? Or $5,000? Even the insignificance of it causes me to wonder why we do it at all, even to carry on the correspondence about it. It seems to me to be an inhibition to the bureaucracy. This is an example. I did not notice that it was so little.

JUSTIFICATION FOR RUBBER STUDY GROUP

What is the justification for the rubber study group?

Mr. DePALMA. It is a similar thing, Mr. Chairman. It is a case, again, of an intergovernmental forum for regular consultations on the developments and problems concerning the natural and synthetic rubber industries. They collect, list, exchange and publish information and statistics on production, production costs, supply and demand, consumption and trade on natural rubber and the principal synthetic rubbers.

(The following information was consequently supplied:)

INTERNATIONAL RUBBER STUDY GROUP

(Supplied by Department of State)

PURPOSE

The International Rubber Study Group was organized in 1944 with the object of providing a forum for the discussion of problems affecting the production and consumption of, and trade in both natural and synthetic rubber, and to provide comprehensive and up-to-date statistical information on rubber.

CURRENT ACTIVITIES OF SPECIAL INTEREST TO THE U.S.

The Group's recently undertaken study of supply and demand projections through 1975 is of special interest to the United States. It is hoped that this study will bring to the surface a better understanding of the inter-relationship between natural and synthetic rubber markets.

The CHAIRMAN. Here, again, what is the reason the industry does not do whatever this is, if it is important and interesting, too?

I am sure the aluminum people have organizations which privately perform some similar functions?

Mr. DePALMA. Yes.

The CHAIRMAN. If such is at all useful.

Mr. DePALMA. I will be very glad to look into that specific aspect.

WHY THESE STUDIES IN CONTRAST TO OTHERS?

The CHAIRMAN. Specifically, why have we undertaken these studies in contrast to others?

Mr. DePALMA. Yes.

The CHAIRMAN. Of course, there are certain things that have an obvious public or general interest.

INTERNATIONAL CRIMINAL POLICE ORGANIZATION

International Criminal Police Organization. I suppose that is the coordination. Is that what you call INTERPOL? Does that have anything to do with what is called INTERPOL?

Mr. DePALMA. That is not one of ours, Mr. Chairman, but it is INTERPOL.

The CHAIRMAN. It is on the list. Who funds that?

Mr. DEPALMA. The Treasury Department, sir.

The CHAIRMAN. In any case, I have no trouble in my own mind seeing the justification for that type of activity. Whether or not it is done efficiently will arise in any case, but that is a different type of activity from some of these more specialized.

U.S. GOVERNMENT INTEREST IN ORGANIZATIONS

Mr. DEPALMA. I do take your point; I think it would be worthwhile to look and see what the specific U.S. Government's interest is. I do not doubt that there is a good reason for carrying out these organizations.

The CHAIRMAN. I doubt that there is now, in the sense that it has certainly shown a tendency—and goodness knows it is not you. The Congress is doing the same thing—to have surplus people around doing things that were appropriate 25 or 30 years ago, but are no longer useful.

For example, everytime we get on these automatic elevators all the operator does is to inhibit the rapidity with which the elevator operates, but we can't get rid of the operators.

It is a natural human tendency.

And that is not the only one that afflicts the Congress.

I would appreciate it, if you would do that. That is the main purpose.

George, do you want to ask anything on these international things?

Senator AIKEN. Yes, I have a few questions.

INTERNATIONAL COURT OF JUSTICE

I would like to ask what is the International Court of Justice doing and what does that cost?

Mr. DEPALMA. The cost is part of the UN budget, Mr. Chairman, and I can probably get the figure for it. As to what it is doing, the answer is: It is not doing very much; it has very little business.

Senator AIKEN. How many cases does it have before it now?

Mr. DEPALMA. At the moment, I am not aware that the Court has an active case.

Senator AIKEN. You do not know?

Mr. DEPALMA. I do not believe that it has. I would like to confirm that, but that is my recollection.

As for the cost, it amounts to about $1,500,000 out of the UN budget.

Senator AIKEN. Is that our share or the total?

Mr. DEPALMA. That is the total cost.

Senator AIKEN. That pays the salaries of 15 judges?

Mr. DEPALMA. That is correct, and the administrative expenses.

Senator AIKEN. And the cost for the Court.

INTERNATIONAL JOINT COMMISSION

We have another international commission in which I have been interested from time to time. That is the International Joint Commission, the United States and Canada. What is that costing?

Mr. DePALMA. I do not have that. That is a different appropriation; it is not one for which I am responsible.

Senator AIKEN. However, we do pay salaries to the members?

Mr. DePALMA. I am sorry, sir——

Senator AIKEN. We do pay salaries to the members of the IJC?

Mr. DePALMA. Yes, we do.

Senator AIKEN. What is the "salaries"; do you know?

Mr. DePALMA. We will have to see if we have the information with us.

Senator AIKEN. I suppose the members of the International Joint Commission also perform duties in other organizations which are government supported?

Mr. DePALMA. Well, I just am not familiar with that operation. I do not know what the answer is.

Senator AIKEN. $525,000 is our contribution, and $187,000 for the Boundary Commission. I know, from time to time, they have important business, and, then, at times they do not have much.

INTERGOVERNMENTAL MULTILATERAL CONFERENCES

However, am I informed correctly that there are 425 U.S. missions to intergovernmental conferences being planned for 1973?

Mr. DePALMA. That is correct.

Senator AIKEN. What are the major ones?

Mr. DePALMA. We anticipate there will be 425 intergovernmental multilateral conferences in 1973 funded out of this appropriation. There are certain other conferences funded out of other appropriations with which I am not involved.

Senator AIKEN. How many of those conferences will be held in the United States?

Mr. DePALMA. How many are going to be held in the United States?

Senator AIKEN. Yes.

Mr. DePALMA. The UN meetings are held here. I will have to get that specific information.

(The information referred to follows:)

1973 INTERGOVERNMENTAL MULTILATERAL CONFERENCES TO BE HELD IN UNITED STATES

(Supplied by Department of State)

It is anticipated that 31 conferences or meetings will be held in the United States.

Senator AIKEN. On the average, how many Federal employees attend these conferences?

Mr. DePALMA. Well, the conference attendance is usually very small, for half the conferences we only have one person.

Senator AIKEN. I see.

Mr. DePALMA. For another 25 per cent of them we have about two, and it is only for the other 25 per cent that we have three or more.

Senator AIKEN. Do you think it is necessary to have as many conferences?

This committee does not meet over 100 times a year, or a little more than that probably.

Mr. DePALMA. Again, Mr. Chairman, it is very difficult in the abstract, speaking of the total, to justify each and everyone, but the fact is that, as these conferences come around, we find a specific interest on the part of our government and we do justify the participation each time on an individual basis.

INTERNATIONAL LABOR ORGANIZATION

Senator AIKEN. I notice that the International Labor Organization last year was $7,800,000 and appropriated for it this year is $8,700,000. I suppose part of that is due to the shrinking value of the dollar?

Mr. DePALMA. Exactly, although later evaluations have not been taken into account.

Senator AIKEN. And salaries?

Mr. DePALMA. Yes.

Senator AIKEN. Are we fully paid up?

Mr. DePALMA. We are not.

Senator AIKEN. To the ILO?

Mr. DePALMA. We are not. We are now in arrears and unless we make a payment by January 1, 1973 we will lose our vote in the ILO.

Senator AIKEN. I see.

Does American labor fully support the ILO?

Mr. DePALMA. Well, Senator, you know the problems we have had with the ILO related to the way the organization was operating, its tendency to disregard its tripartite nature, and this tendency was most acutely felt by the American worker participants but it was shared by the government and by the employer representatives.

We have, however, in the past two years, made very substantial progress in correcting these problems.

I would be very glad, if you want to take the time, to indicate in some detail what we manage to do, and, therefore, what the situation is. My conclusion is that having substantially corrected the things which we found objectionable, we have not, really, got any basis for continued withholding of contribution, and, indeed the continued withholding only makes it that much more difficult to continue to insist on corrective action in the organization, because our friends among other governments who want to help us out are put in an exceedingly awkward posture in trying to help us correct practices there at a time when we are not paying our contribution.

Senator AIKEN. I suppose the general idea is to raise the pay in other countries, to improve the standard of workers in other countries, and when that is done the cost of production in other countries will more nearly approach the cost of production here?

Mr. DePALMA. That is one of our basic interests in the functioning of the ILO, yes.

COMMUNIST EFFORTS TO TRANSFORM ILO'S CHARACTER

Senator AIKEN. The presentation by the State Department is that the Communist members are aggressively working to transform the character of ILO. What are they doing?

Mr. DePALMA. Well, they are doing what they could be expected to do, I guess. As you know, they wanted to join the ILO. We were happy to have them, have them come in, but ILO functions on the basis of separate representation of labor and employers and government. The Soviets, of course, have no real basis for fielding delegations who can independently represent workers or employers. Our worker and employer groups feel that all Soviet representatives represent the government. The Soviets, having come into the organization, have tried persistently to try to enhance the government aspect of ILO's operations and to play down worker and employer aspects; and this is what caused the tension in the organization.

DISCUSSION OF SOVIET FAILURE TO COMPLY WITH FREEDOM OF ASSOCIATION CONVENTION

Senator AIKEN. The budget estimate also notes with approval that last year ILO discussed the Soviet Union's failure to comply with the Convention on Freedom of Association. Did we participate in that discussion?

Mr. DePALMA. We certainly did, Senator. We were responsible for its having taken place.

One of our complaints has been that over the years the ILO had adopted what, in effect, was a double standard; it was criticizing certain governments for not complying with ILO conventions and conveniently not discussing the situation in the Soviet Union and some Eastern European countries. We insisted last year that that be stopped. We got a discussion of Soviet practices—it was quite a thorough one, and we participated fully, and we were also instrumental in having Czechoslovakia listed on a special list for not complying with the Convention. This is the first time in nine years that the situation in the Soviet Union was discussed.

We accomplished other things, too, and, as I say, we managed to reduce polemics in the conference. We now have a right of reply, so if they do start polemics we can get at an answer quickly, which we could not do before. There are many things that have been corrected in the organization's operation.

Senator AIKEN. I have been told recently the spread of pay between the boss in a Russian factory and the employees at the lower level is wider than it is even in the United States. I do not know whether that is so or not, but I do realize there is a caste system in all countries.

U.S. PROPORTION OF INTER-AMERICAN ORGANIZATION'S COST

I notice, too, in the inter-American organizations that we are paying something over 60 percent of the cost.

Mr. DePALMA. Some 66 percent.

Senator AIKEN. Is it important that we continue at this rate?

Mr. DePALMA. Well, Senator Aiken, the problem there, of course, is that these are organizations of limited membership, limited to the states of the Americas, and there is a gross disparity in capacity to pay between the United States and the Latin American countries. This scale has been considered to be roughly a fair way of apportioning the expenses.

DUPLICATION OF WORK OF FAO AND WHO

Senator AIKEN. Yes. Also I am wondering to what extent American organizations such as the American Institute for Agricultural Services duplicate the work of the FAO (Food and Agricultural Organization of U.N.), and then on health with WHO (World Health Organization). Is there a great degree of duplication?

Mr. DEPALMA. Senator, I do not believe there is any substantial duplication. One of the things that, as I said, my bureau does try to do is to look into questions like that.

I am not responsible for the substantive policy for these inter-American organizations, but because we manage the payments we do raise these questions and we do satisfy ourselves that they are not doing the same kind of work as the FAO. There are opportunities for comparing and avoiding duplication, and that is done on a regular basis.

I am satisfied that there is not duplication.

Sentator AIKEN. I understand the World Health Organization thinks DDT is preferable to malaria and several other diseases which we have brought under control or practically under control.

Mr. DEPALMA. Yes.

ACHIEVEMENTS OF INTER-AMERICAN ORGANIZATIONS

Senator AIKEN. I have one last question. It is a request for information which you can furnish with respect to the Inter-American Indian Institute, Pan-Am Railway Congress Association, and the Pan-Am Institute of Geography and History.

Would you furnish for the record a summary of their achievements so we know what they have accomplished?

Mr. DEPALMA. Yes, sir.

(The information referred to follows:)

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY
(PAIGH)

Summary of Activities
January 1 - December 31, 1971

Purpose

1. PAIGH is a Specialized Organization of the Organization of American States designed to promote the study of History, Geography, Geophysics, and Cartography in the Americas.

2. At the request of member States, it carries out studies work projects through Commissions, Committees and Work Groups composed of experts from countries in the Western Hemisphere, and conducts an extensive publications program.

Meetings

Among the many technical meetings held by the PAIGH this year, the following were significant:

1. Conference on Remote Sensing held at the University of Michigan in May, and attended by representatives of nine Latin American countries. (Remote sensing is the use of satellite photos to analyze the natural resources of the earth's crust).

2. The 1st Pan American Meeting on Cadastral Surveying at Caracas, Venezuela in November. The results of this meeting will permit member countries to make more efficient use of their land resources.

3. PAIGH laid the groundwork for the Third Seminar on Regionalization of Development Policies in Latin America, to be held next year.

4. In addition, PAIGH representatives attended ten other technical conferences this year, dealing with such subjects as Photo-Gravimetry, Geodesy, and Marine Geosciences.

Accomplishments

Noteworthy accomplishments of the Institute were the following:

1. The Library and Publications division acquired 10,000 new publications, published eight papers for various working committees, and printed a similar number of monographs dealing with history, folklore, and anthropology in the Western Hemisphere.

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2. PAIGH committees on geodesy, gravimetry, and related sciences continued useful projects in these areas.

a) Outstanding among these projects are PAIGH studies conducted by the Commission on Geophysics in the Andean zone to measure the Seismic net of the Andean mountain chain and the thickness of the earth's crust in that region. These studies will help Member States deal more adequately with natural disasters in that part of the world.

b) Members of the Committee on Geodesy were active in geodetic work along the Argentine-Chilean border, carried out by the Military Geographic Institutes of both countries. Two astronomical stations were set up in Argentina. The Working Group on the South American Datum Point continued preparation of its Technical Manual. The manual will be ready when the basic horizontal net for South America and the position tables for each country are completed. This data will be highly useful for satellite communication and for sea and air travel in the southern Hemisphere.

c) Through the good offices of PAIGH, the Universities of Oregon and Hawaii have been able to place scientific equipment in the territorial waters of Peru and Ecuador for their projects during the Oceanographic Decade.

INTER-AMERICAN INDIAN INSTITUTE (IAII)

Summary of Activities, Jan. 1 - Dec. 31, 1971

PURPOSE

The IAII is the Specialized Organization of the Organization of American States whose task is to study the problems of Indian groups in the Western Hemisphere with the object of helping them to obtain a higher standard of living in their own communities, and a fuller role in the national life of their countries.

ACCOMPLISHMENTS

1. In the Central American region, the IAII trained 60 school teachers this year as part of that country's Indian development program.

2. Another 72 educators participated in a seminar on Social Anthropology in a pilot project to strengthen Indian programs in Costa Rica.

3. IAII completed a program in Indian handicrafts which exchanged ideas about techniques and methods used by Indians all over the Hemisphere for making native crafts.

4. Publications: IAII published four books on Indians in the Americas, including one entitled The Social Organization of the Pueblo Indians in the West by the American Anthropologist, Fred Eggan. In addition, IAII continued to publish its regular periodicals: America Indigena, Anuario Indigenista, and Noticias Indigenistas.

PAN AMERICAN RAILWAY CONGRESS ASSOCIATION (PARCA)

Purpose:

1. PARCA promotes the development or railways in the Western Hemisphere through the exchange of technical information on problems common to all railroads in the Western Hemisphere.

2. PARCA is a semi-official organization show members include both representatives from governments of the Western Hemisphere and the railroad industry.

3. PARCA attempts to standardize as much as possible, railroad development in the Americas.

Accomplishments:

1. PARCA continued to publish its bimonthly review, Boletin which deals with technical problems of common interest to the railroad industries in Latin America and the United States.

2. PARCA is preparing a dictionary of railway terms in the four languages of the Western Hemisphere. No publishing date has been set yet.

3. The Secretariat is preparing for the next PARCA Congress which is due to be held in 1972.

4. NOTE: As the Committee on Foreign Relations was informed (during hearings on the higher U. S. quota), our continued participation in PARCA has contributed to the export sales of railway equipment to Latin America in spite of hot competition from Japan and West Germany. In 1970 these sales were approximately $40 million.

Senator AIKEN. That is all I have.

TRANSFERRING INTERNATIONAL ACTIVITIES INTO BUREAU'S BUDGET SUGGESTED

The CHAIRMAN. Mr. DePalma, I wonder if it would not be useful for us to consider a better coordination or consolidation of these many international activities into perhaps your budget? Here we have three different major categories, yours, the Foreign Assistance Voluntary and the other, making this a quite substantial total, and it is very difficult for us to get a hand on it.

Would there be any insuperable difficulty in transferring some of these more useful ones after they have been justified and we are sure we want to continue them, say, into your budget so that you and the committee can keep a hand on them and more or less have some idea what they are doing and why and whether or not we should continue to support them?

Is there anything wrong with that idea?

Mr. DEPALMA. Mr. Chairman, it seems to me to be a useful idea which ought to be explored. There are undoubtedly technical problems. These are grouped here in the presentation precisely to facilitate the work of the Congress, so you can see them all in one place, but the voluntary contributions are justified under the Foreign Assistance Act. It is conceivable that all of these would be put in one place.

The CHAIRMAN. Of course, this committee handles that. This is not quite the way it came up, but one of the reasons I tried to separate that Foreign Assistance Act out into its basic elements was that I thought it would make it easier to judge them on their own merits. I think there is a tendency to put so much together that you create a kind of conglomerate, if I may use the word, "constituency." A person will be interested in one part of this vast program and he will go all out for the full program although there is a lot of it he is not for and would rather see discontinued if there were not that one element in it.

For example, for years I had been getting passionate letters to support the foreign aid program solely because UNICEF is in there. It is $12,000,000 out of, we will say, $4 billion. People will get all worked up in clubs and organizations and will write letters and go all out for me to support a three-or-four-billion-dollar bill just because there is a $12 million item in it. This really distorts the whole process.

I really think one of the reasons why we have gotten ourselves into a good deal of trouble is that there is not enough opportunity to consider these matters separately.

I would like to suggest, not that we can possibly do it this morning, that you consider doing this on as many as you can, at least to bring them along with these others so you can keep an eye on them, and so can we, and periodically exercise some new judgment as to whether they are justified and whether they ought to be continued.

Would that be asking too much of you?

Mr. DEPALMA. Sir, I am not quite sure what the technical problems would be.

The CHAIRMAN. A lot of these things of which I am thinking are in foreign aid which this committee handles, and, of course, is handling here now. Why couldn't they be shifted over under your authorization for the Department?

Mr. DEPALMA. It has just been a mechanical problem. These, what you have before you today, are the assessed contributions which arise by virtue of our membership and our legal obligations.

The others you are speaking of are purely voluntary.

INCLUDING INTERNATIONAL ACTIVITIES IN BUREAU'S BUDGET

The CHAIRMAN. Why can't they be brought in here? Is there any reason?

Mr. DEPALMA. Obviously, they could be listed here.

I will be appearing before the congressional committees within a few weeks and discussing the voluntary programs. We have comparable information for them.

The CHAIRMAN. At least, I wish you would give it some thought. If you see no reason against it, I think it would be a little more orderly. I also think it would enable us, when we come to foreign aid, to be a little more objective about that and not get all crossed up and find people who are for foreign aid because of some little odd item that is one hundredth of one per cent of the program. I would like to disassociate that.

I think UNICEF ought not to carry such a great load for a program that people may or may not be for, or vice versa.

I do not know of anybody against UNICEF. It just happens to be a good example. I never got a letter condemning that. I would just suggest that for your consideration.

And on these conferences you mention—what was it, 435?

Mr. DEPALMA. We estimate there will be 425 financed out of the conference appropriation.

The CHAIRMAN. I think the same procedure that I have just discussed with regard to these international organizations should be applied.

NECESSITY OF INTERNATIONAL CONFERENCES

Are you sure all of these conferences are necessary?

Mr. DEPALMA. Well, Mr. Chairman, obviously, I can't say that everyone of the 425 is absolutely necessary. What I can say is that we do not participate automatically. We have to find a definable interest in our participation before we authorize the participation.

The CHAIRMAN. Yes.

Mr. DEPALMA. What we are speaking of are conferences in which we now feel we will have an interest in participating. These are by no means all of the international conferences taking place, but they are the ones in which we deem it useful to participate.

The CHAIRMAN. One of the issues I am raising is that a lot of these go on year after year; do they not?

Mr. DEPALMA. Yes, sir.

The CHAIRMAN. This is an area in which I think the tendency is on the order of because we went last year, we will go again this year, although last year or the year before we may have had some special interest. I think there is a lot of money involved in those conferences, some of them being very expensive to conduct. Isn't that right?

Mr. DEPALMA. Well, sir, the total sum for conferences is about—it will be $1.5 million for 1973, for U.S. delegations to these conferences.

The CHAIRMAN. That is a substantial sum.

Mr. DEPALMA. It is, yes, sir.

The CHAIRMAN. I would suggest we do the same thing on the conferences.

I think, for the record, you can ask whoever is in charge to give us a justification.

(The information referred to follows:)

JUSTIFICATION FOR INTERGOVERNMENTAL MULTILATERAL CONFERENCES

(Supplied by Department of State)

Of 425 conferences which will be funded from this appropriation request only 4 conferences are not regular meetings of established international organizations where the United States participates by virtue of a treaty or convention or by Authorizing Legislation which is usually in the form of a Participation Act. The U.S. participation in the program of these International Organizations takes place either in the regular meetings of the international body or in its Committees or its Commissions.

The four (4) international conferences in which the U.S. will participate in FY 1973 and which are not part of the regular meetings of international organizations and various other Commissions and Committees are as follows:

7th Consultative Meeting under the Antarctic Treaty, Wellington, October 1972 (2 weeks)

Self explanatory.

ECAC—Eighth Triennial Plenary Session, Europe, June 1973, (2 weeks)

The European Civil Aviation Conference (ECAC) was established in 1954 by the Council of Europe and the International Civil Aviation Organization (ICAO) to promote the coordination and better utilization of intra-European air transport.

The President of ECAC convenes triennial meetings to consider economic/questions, recommendations of the standing committees and working groups, the work program, the budget and route air navigation facility charges.

The United States as a Member State of ICAO is invited to attend the triennial meetings of ECAC as an observer State. The subjects of interest to the United States are economic questions (scheduled and non-scheduled air services) and route air navigation facility charges.

Diplomatic Conference to Adopt a Convention for a Uniform Law on the Form of Wills, Washington, D.C., April 9–20, 1973

As a member of the International Institute for the Unification of Private Law (also referred to as UNIDROIT or the Rome Institute), the U.S. has participated in the work of a Special Committee to draft a convention for a uniform law on the form of wills. In the view of the representatives of the National Conference of Commissioners on Uniform State Law and the American Bar Association and of the professors, judges, and practicing attorneys who have studied the Draft Convention as it has evolved, its adoption would be of substantial value to the United States. It would permit American testators, who to an increasing extent have in their estates real or personal property located in one or more foreign countries, to dispose of that property by executing a will in the form provided for in the Convention. It would provide similar benefits for foreigners with property located in the United States and should further facilitate the operation of the network of our bilateral treaties dealing with consular functions relating to estates which now apply to 62 other countries.

The Institute depends upon its member states to convoke diplomatic conferences to adopt international conventions based on draft texts which have been developed under its auspices. In view of the active role of the United States in the development of the draft text of this convention and the benefits which accrue to this country from its adoption, this Government has agreed to hold a diplomatic conference at Washington, D.C., in the Spring of 1973.

ICRC—Conference on Humanitarian Law, Geneva, Spring 1973 (3 months)

The Conference will be called by the Swiss Federal Council, by agreement with the International Committee of the Red Cross, to consider adoption of new protocols or conventions to supplement and update the Geneva Conventions of 1949 with regard to treatment of prisoners of war, protection of medical aircraft and certain other aspects of humanitarian law applicable in armed conflicts.

Mr. DEPALMA. I hope it is understood that in this figure, 425, there are included the regular meetings of many of the international organizations, the General Assembly, the Economic and Social Council, various other commissions and committees; so that much of that figure is on-going work of these international organizations.

The CHAIRMAN. I did not think that is what you had in mind.

Mr. DEPALMA. That is included.

The CHAIRMAN. Is there any way to estimate the kind that are not?

Mr. DEPALMA. Yes, sir, we have a list of each and everyone.

The CHAIRMAN. Those are the ones with which I am concerned. We had some examples at another meeting and some very serious questions were raised about what they did at the conference. It was at Geneva, I think, and it was quite extensive and went on for several days and we were unable to find where any useful purpose was served. I forget now what it was. This was last year.

MISSIONS TO NATO AND OECD

The fund for operation of your missions to NATO and OECD (Organization for Economic Cooperation and Development) is not included in this bill. It is in the foreign aid budget; is that not correct?

Mr. DEPALMA. Yes, sir.

The CHAIRMAN. In fiscal 1972 Congress appropriated $1,700,000 for our Mission to NATO and $1,100,000 for the Mission to OECD. According to the Foreign Service list we have a 53-man Mission to NATO and 37 people with the OECD Mission.

I wonder if you would supply for the record the size and cost of missions of other countries to OECD and to NATO.

Can you do that?

Mr. DEPALMA. We will be glad to.

(The information referred to follows:)

SIZE OF UNITED STATES AND OTHER COUNTRIES' MISSIONS TO OECD AND NATO

(Supplied by Department of State)

The Foreign Service List for the Missions to NATO and OECD includes the names of State Department Officers assigned to the International Organizations as well as the names of other agency personnel and excludes American clerical employees. The American complement, officer and clerical, to these Missions is as follows:

USNATO:	
State Department	38
Department of Defense	56
USIA	5
Total	99
USOECD:	
State Department	23
Treasury	3
AID	5
Agriculture	2
Total	33

Operating costs of other missions to NATO and OECD were not available and would not in most cases be germane due to differing accounting systems. The

number of employees assigned to these organizations by other larger countries is as follows:

USNATO:	
F.R.G. mission	99
United Kingdom	44
France	38
USOECD:	
Japan	27
Italy	18
Turkey	18
F.R.G.	17
United States	17
Belgium	9
France	9
Switzerland	9
United Kingdom	8
Sweden	8
Netherlands	8

*Total mission figures not available. Above figures represent the number of officers accredited to OECD.

The CHAIRMAN. Do you, incidentally, offhand, know what the relationship is?

Mr. DEPALMA. I do not. Those missions are not supported by my bureau, but we can get that information.

The CHAIRMAN. It strikes me that $1,700,000 for NATO is quite a large amount for that one operation in view of NATO's rather morbid state.

Mr. DEPALMA. There is nothing morbid about the consultation which takes place regularly, continuously, on a large number of subjects, so that I, although I do not have any responsibilities, I can tell you that they are very busy places.

I happen to have served in our mission a few years ago.

The CHAIRMAN. Could you tell me why they are in the foreign aid and not in your budget?

You have United Nations, International Organizations—Geneva, Scientific and Cultural, and Food and Agriculture. Why don't you have OECD and NATO?

Mr. DEPALMA. I do not know who made that decision, Mr. Chairman. They are authorized under the Foreign Assistance Act. Whether that was a congressional decision, or of someone else, I do not know.

The CHAIRMAN. I would like for you to consider putting them in your budget and let us have another look at this and see if it would not make it a little more orderly and businesslike to bring these together in your budget.

Mr. DEPALMA. There is the problem, sir, that my bureau cannot, certainly with the staff we have we can't, assume substantive responsibility for each and every international type organization activity around the world. So that, while we can handle the mechanics of it or show them on a list, and so on, I think there is a limit to the amount of responsibility we can assume with anything like the staff we have.

The CHAIRMAN. Just for budget purposes, we are talking about here.

Mr. DEPALMA. I understand.

The CHAIRMAN. If there should be any change requiring staff, of course, that is another matter. Goodness knows, the aid program has an awfully large staff. I think they have an administrative budget,

which does not include all their direct administration, of some $54 million.

CEILING ON REGULAR UN ASSESSMENT

Has the State Department done anything to negotiate the 25 per cent ceiling that Congress established as a goal in the regular UN assessment?

Mr. DePALMA. Mr. Chairman, we have not had the time yet to actually start negotiating it. We announced at the end of the last General Assembly last fall that we did intend to do that, so the Assembly is on notice we will follow that up at the next General Assembly and make this a matter of highest priority. We will, of course, need some time, Mr. Chairman.

The CHAIRMAN. I understand. I wondered and wanted to remind you. You had not forgotten.

Mr. DePALMA. We have not forgotten.

QUESTION OF PIECEMEAL APPROACH TO CONTRIBUTION BILLS

The CHAIRMAN. I notice the House will soon be acting on a bill to raise our dues to the International Bureau for the Protection of Industrial Property. This raises the question of our piecemeal approach to these contribution bills.

Is there an overall standard that could be applied to these requests, do you think, to enact into law, or are we going to have to deal with them piece by piece?

Mr. DePALMA. Well, Mr. Chairman, I think that comes back to some of the questions you have been asking.

I think the question is whether they are individually justified, and I think the way to find out is to look at them individually.

I had a certain feeling that if they were all lumped together, we would get into the problem you were raising about foreign assistance.

The CHAIRMAN. Is the International Bureau of Protection of Industrial Property included in your budget?

Mr. DePALMA. That is one to which we manage the financial payments, yes, sir.

I have no substantive responsibility for its operation, but we do manage the payments to it.

The CHAIRMAN. That bill was just brought to my attention.

Senator Sparkman?

Senator SPARKMAN. I am not ready.

The CHAIRMAN. Are you ready for questions?

Senator SYMINGTON. Thank you, Mr. Chairman.

PRESIDENT'S RECOMMENDATION AND WORK OF ILO

Mr. Secretary, Senator Aiken mentioned the ILO to you.

The President was pretty strong in his recommendation of it in his report to the Congress on policy for the nineteen seventies. One thing brought to my attention is that this organization has worked to improve the standards of living in other countries, which would give our people a better competitive position.

Mr. DePALMA. That is correct.

Senator SYMINGTON. After we build up these countries, naturally, with a lower standard of living, they can come in and get business easier than if they had a better wage rate themselves.

FINANCIAL SITUATION CONCERNING U.S. PARTICIPATION IN ILO

Could you briefly let me know what is the present financial situation with respect to U.S. participation in the ILO?

Mr. DEPALMA. The situation is, sir, that we will lose our vote as of January, 1973, unless we pay a minimum sum of roughly $3.8 million.

That is the minimum needed merely to keep our vote.

Now, that, by itself, sir, would preserve our vote but would not preserve our interest in the organization.

Our failure to contribute during the last two years has meant that the organization has had, drastically, to reduce its activities. One hundred and seventy vacancies have already not been filled when employees have retired or left.

Now, they are in the process of reducing their expenditures for the current year. That will involve a reduction of another 140 people. The organization is in very serious difficulty and has exhausted its working capital fund, and, obviously, our failure to contribute is going to cause very serious problems there.

Now, at the time when we are interested in pursuing the campaign we have successfully managed to get the organization to deal with some of these tripartite problems about which we were complaining. I think we would be in a very poor position, indeed, if we failed to contribute anything, or even if we contributed just enough to keep our vote, after being in arrears for almost two full years and forcing the organization into this drastic retrenchment.

I don't see how American delegations can go there and pound the table and insist on the organization doing particular things at the same time that we were responsible for putting it in this very awkward situation. I do not see how we would get the political support for that.

Senator SYMINGTON. Does your present request include the money to solve this problem?

Mr. DEPALMA. It does, sir. We are asking for the full payment of the amounts withheld and for our current contribution.

ILO SITUATION'S EFFECT ON U.S. RELATIONS WITH OTHER COUNTRIES

Senator SYMINGTON. Is there anything else you would like to add from the standpoint of the effect the development of this situation has had on our relations with other countries?

Mr. DEPALMA. Well, sir, it has hardly improved them any. I think we have considerable support and sympathy in the organization. We have other delegations working with us now to correct the deficiencies in the organization, and we have made considerable progress, which we have summarized in some detail in our budget justification, but there is another aspect of this which is very worrisome, and that is the example we are providing for other countries.

We are trying very hard this year, in the UN, to get the organization to face up to its deficit problem, the failure of the Soviets and others to make their contributions for certain activities. It is very

awkward to have to do that at a time when we are deliberately withholding funds in another organization. I would hate to think what would happen if more and more governments adopted the practice of not paying if they were displeased with certain activities.

I think the real question is that one either participate or does not participate in these organizations. I think that the question that is coming up for decision with regard to the ILO, is whether we continue as members, in which case we ought to pay our dues. If, in fact, our interest in the organization is great enough we should make the payments. Otherwise we should get out of the organization.

GETTING OUT OF ILO DETRIMENTAL TO U.S. INTERESTS

Senator SYMINGTON. From what I know about the agency, it would be detrimental to our own interests to get out; would it not?

Mr. DEPALMA. I should think so, Senator. I would hate to think of turning ILO over to the Soviet Union, for example. I would think that the very problem we have been fighting, which is that the organization has tended over the years to be too accommodating to the Soviet interest in downplaying triparticism, would get completely out of hand if there was not a strong U.S. counterweight in the organization. I know, from what other government representatives have told me, that they would think that would be a very sad development, indeed, because they do not feel that they, on their own, can sustain this activity, that they can keep a proper balance in the organization. I think it would be an abdication of a lot of our interests to turn the organization that is concerned with labor movements and workers' standards around the world over to the mercies of the Soviet Union after our friends have done the best they can to fend off Soviet pressures and leave them to suffer the consequences because we abandoned it.

You pointed out an example of our interest in labor standards. I noticed the other day in the newspaper an item that the Italian Maritime Unions had worked out a new wage scale which made them the second highest paid in the world. That is not a direct result of ILO, but it is an indirect result of the ILO's work over the years, and this, definitely, is a benefit to American maritime interests.

OPPOSITION TO DEPARTMENT'S POSITION

Senator SYMINGTON. Do you know of any opposition to your position?

Mr. DEPALMA. I will know better after we have completed some other hearings. I am requesting a full appropriation. The government wants the appropriation, the employers' representatives want the appropriation to be paid, and we are not quite sure what the position of the workers is. I understand that, in essence, it amounts to saying that it is a decision for the government to make, and it remains to be seen what the Congress will do.

Senator SYMINGTON. You say "the workers." What workers? In the United States?

Mr. DEPALMA. Yes, sir.

Senator SYMINGTON. You mean labor organizations?

Mr. DEPALMA. That is right.

Senator SYMINGTON. Well, Mr. Meany has said we owe the money, therefore we should pay it.

Mr. DEPALMA. He has said that; I understand that was said at a press conference.

Senator SYMINGTON. And Mr. Neilaw, I think, also said that several times?

Mr. DEPALMA. That is correct.

Senator SYMINGTON. I would shift to another subject.

IMPORTANCE AND POTENTIAL OF IAEA

Recently I went on a trip around the world and was particularly impressed with Vienna, in effect, to me a city of hope because of (a) SALT talks and (b) the International Atomic Energy Agency.

Anyone who reads a book like the recent one of Mr. Seaborg's knows that the peaceful pursuit of the atom could well solve many of the problems we have today as the result of prosperity. For example, the shortage in electric power, air pollution, water pollution, the handling of waste. As I see it, as a member of the Joint Atomic Committee, one can say that we can use the atom militarily to destroy the world, or destroy said world by not using it to handle those problems, air, water pollution, energy, waste, which prosperity in the industrialized nations has given us to handle.

It is one of the most important agencies we have, but you hear little about. It would appear to be slipping in the public mind, yet in many different ways, it could make great contributions.

In Japan they are worried about air pollution; in Korea at least as much. Norway, we hear is suing Germany and Great Britain for polluting their waters. I note that in this country we expect a shortage of electric power this summer in at least one big State.

In that agency we have tremendous potential. The Soviets could be ahead of us in peacetime use. Fortunately, our scientists in this case are working with theirs, but the money we put up is incredibly small considering what we are putting into, for example, research on weapons. In fact, all research money for the peacetime use of the atom put up last year by the Congress is less than 10 percent of that put up for research and development of weapons alone.

STATE DEPARTMENT POSITION ON IAEA

What is the position of the State Department?

Are you trying to really further the fortunes of this agency, or are you disinterested. How do you feel about it?

Mr. DEPALMA. I am very glad to say, Senator Symington, that we consider this practically a model among the specialized agencies. It is, undoubtedly, from just a financial and management standpoint, probably the best run of the agencies. I hesitate, normally, to make that kind of a statement, but it happens to be an absolute fact in this case. It is a very tightly run business-like organization.

You have cited many of the things that it does and its potential ability.

I would stress also the Safeguards. This is the agency which is going to implement the Safeguards under the Non-Proliferation Treaty, the Safeguard agreements now being negotiated and——

Senator SYMINGTON. Please do not use that term because it is the term used for the ABM, one of the greatest wastes of money since I have been in the Congress.

Mr. DEPALMA. I am sorry. I am stuck with the term.

Senator SYMINGTON. Anything besides Safeguard.

Mr. DEPALMA. These are agreements to make sure there is no diversion to weapons purposes of nuclear materials which are provided for peaceful use.

And the agency will be greatly expanding this inspection system in the course of this year.

Now, this means, Senator, that the agency's expenses are rising, and I would like to, if I may, sir, take this opportunity to point to one troublesome aspect in our desire to get down to 25 percent in the UN and in the specialized agencies. I think we will have to think about the IAEA as a probable exception.

As I said, the agency is now involved in greatly expanding its inspection systems. This costs money, and we can't, at the same time we put this heavy load on it, fight to lower our contribution. I think we are going to have to think of the IAEA as an exception.

As for our interest in the organization, I think I can illustrate it by the fact that we put a committee of scientists together in the past year to take a completely new look at the way it was working, what it was doing and what it could usefully do in the future.

The committee has given us what we think is an excellent report, and we have a basis for looking ahead another ten years or so into precisely the same kind of questions you are raising, and I think we have every reason to think that this organization is going to continue to work as effectively and become more and more involved in questions of the kind you have raised.

Senator SYMINGTON. As I understand from what you say, this is the place we can pursue the tremendous potential advantages in peacetime use of the force of the atom, and at the same time monitor any agreements that come up with respect to controlling its military aspects; correct?

Mr. DEPALMA. That is exactly right.

AWARENESS OF USES OF ATOM

Senator SYMINGTON. It is unfortunate, when you say to a schoolchild today "atomic," they think of Hiroshima. They should think of all the wonderful things that have been done in medicine and could be done in the ecological field. I was impressed with the Director General. We had a good talk.

Also with Ambassador Glennan and Ambassador Porter. There seems to be a lack of drive from here, however. Why? It would seem very important.

Mr. DEPALMA. It is so technical. It is difficult, apparently, to make people aware of very technical activities, but some of these are going to be desperately important.

For example, one of the big fields they have under study for the agency is waste disposal, disposal of nuclear waste.

Senator SYMINGTON. I mentioned that.

Mr. DEPALMA. And this is an immense field for which the agency will be responsible.

Senator SYMINGTON. Mr. Chairman, I have some more questions, but have exceeded my time.

The CHAIRMAN. It is perfectly proper, of course, to explore that, but the substance of your question is really a little beyond, at least this committee's, comprehension. You are getting into your Atomic Energy Committee business.

Senator SYMINGTON. I noticed the money for the agency was in this budget.

The CHAIRMAN. It is in the budget.

Senator SYMINGTON. That is the reason I brought it up.

The CHAIRMAN. As a budgetary matter, but he is not responsible for what they do.

Senator SYMINGTON. Let him and the State Department utilize their influence.

QUESTIONS FOR THE RECORD

The CHAIRMAN. Mr. DePalma, I have some other questions, but we have three or four more witnesses and I think I had better move on.

I would like the staff to submit some rather routine, but necessary, questions to build up the record. We have made the main points. I think you understand them and you responded very well. I appreciate very much your coming.

I think you have made a real contribution to our hearing.

Senator AIKEN. I think the testimony has been very useful.

The CHAIRMAN. Thank you very much.

(The information referred to follows:)

ANSWERS TO QUESTIONS SUBMITTED TO MR. SAMUEL DE PALMA, ASSISTANT SECRETARY FOR INTERNATIONAL AFFAIRS BY THE CHAIRMAN FOR THE RECORD

Question 1. The General Assembly voted in December to request the Secretary General to "invite the Member States to communicate to him before July 1972 their views and suggestions on the review of the Charter of the United Nations."

(a) What is the Department planning to propose to the Secretary General?

Answer. The Department is studying the question of its reply to the Secretary General at the present time. In the Department's view, a distinction must be drawn between overall review of the Charter by a conference called for that purpose and adoption of specific amendments in the Charter.

The Department sees no possibility of agreement among the UN membership generally at this time on any changes in the basic character of the Organization. It remains convinced that the weaknesses of the United Nations derive not from the provisions of the Charter so much as from the policies followed by member states in and toward the Organization, and it does not believe that review *per se* will bring about any change in the latter. Moreover, there is no indication of should be sought in the review process. In these circumstances, and given the sharp issues that currently divide UN members and the wide differences among them on what they hope to achieve through the United Nations, it is the Department's conclusions that an attempt at comprehensive review a present is unlikely to produce any constructive results and runs the serious risk of further weakening the Organization as an instrument of multilateral diplomacy.

The Department is therefore studying the question of its reply to the Secretary General from the standpoint of what, if any, specific amendments to the Charter would further the US interest in seeing the Organization strengthened struc-

turally and have a chance of obtaining the necessary support from two-thirds of all UN members, including the five permanent members of the Security Council. Particular amendments can be considered at any time and do not require a general review conference. The Department is also considering in this connection what reforms might usefully be sought that would not require Charter amendment, such as the Lodge Report suggests.

Question 1 (b) Since the UN Charter is a treaty approved by the Senate during the negotiations of which the Senate Foreign Relations Committee was intimately consulted, does the Department plan to discuss its reply with the Committee?

Answer. In keeping with past practice, the Department would certainly plan to discuss with the Senate Foreign Relations Committee any concrete proposals for amendment of the Charter emerging from its current study before putting them forward formally as US proposals.

Question 2. Among Congressional priorities in the international field are population growth and control of the international traffic in narcotics. Would you furnish detailed information on the UN effort in these areas? Similarly on the UN Corps of Volunteers?

Answer. Population growth.

UN efforts in the area of population growth began in 1946 with the creation by the Economic and Social Council of the Population Commission. This 27-member advisory body concentrated its attention during its first two decades on demographic studies and publications.

In December 1962 the U.S. joined 68 other nations in the General Assembly to adopt (69–0–27) a resolution recognizing that "economic and social development and population policies are closely interrelated" and that each government is responsible for its own policies in dealing with these problems. The resolution called on the Secretary-General to conduct an inquiry among UN Members and specialized agenices on the problems created by this interrelationship. It also called on major UN bodies to study this interrelationship with particular reference to the needs of the developing countries to invest in health and educational facilities within the framework of their general development programs—in short, to consider what birth control programs they needed.

The Economic Commission for Asia and the Far East (ECAFE) in 1963 called on its own members "to take account of the urgent need to adopt a positive population policy related to their individual needs" and invited the UN and the specialized agencies to give governments on request, technical assistance for statistics, research, experimentation and "action programmes related to population."

Continuing the gradual development of UN doctrine, the Economic and Social Council in 1965 requested the Secretary-General to provide "advisory services and training on action programmes in the field of population" to requesting governments. In the same year the U.S. moved with others in the World Health Assembly to request the World Health Organization to undertake studies on fertility control and the health aspects of population dynamics and to provide "technical advice on the health aspects of human reproduction"—but "not provide operational activities."

In order to asure the availability within the UN family of funds for population programs, Secretary-General U Thant in 1967 created the Population Trust Fund—later placed under the responsibility of the Administrator of the UN Development Programme as the Fund for Population Activities. The Fund was intended to make money available to UN agencies, governments and private organizations for population/family planning programs outside regular budgets. To be effective the Fund needed a staff of field workers to help national governments put their needs for assistance for population/family planning programs in a form suitable for consideration by the Fund. The U.S. made an initial contribution of $500,000 to create the needed institution of Population Program Officers stationed around the world. With this beginning, the Fund solicited contributions from UN Members and began to receive them. The General Assembly in December 1966 called upon all UN bodies "to assist, when requested, in further developing and strengthening national and regional facilities for training, research, information and advising services in the field of population."

With the background of ECOSOC and General Assembly approval and with special funds available for population activities, the governing bodies of all UN

agencies with a potential role in attacking the population problem have adopted the necessary resolutions to authorize actions by them; the World Health Organization to provide family planning services and training; the Children's Fund to assist with material; the UN Educational, Scientific and Cultural Organization to provide help with education, mass communications and social services; the Food and Agriculture Organization to develop programs of Better Family Living through its program of home economics, agricultural extension and community development; the International Labor Organization to develop information and education for labor and management.

In addition, the UN Commission on the Status of Women adopted resolutions (1965, 1966 and 1968) welcoming the increasing role of the UN in providing assistance in family planning and calling for studies of the status of women and family planning. The second International Conference on Human Rights in Tehran (April–May 1968) adopted a resolution that "couples have a basic human right to decide freely and responsibly on the number and spacing of their children and a right to adequate education and information in this respect." The Declaration on Social Development drafted in 1968 by the UN Commission on Social Development and adopted by the General Assembly in December 1969 calls for ". . . the provision to families of the knowledge and means necessary to enable them to exercise their right to determine freely and responsibly the number and spacing of their children."

On the recommendation of the Population Commission and the Economic and Social Council the General Assembly approved in 1970 a resolution designating 1974 as Population Year and calling for the convening that year of an intergovernmental World Population Conference.

The doctrinal framework for action in the field of population/family planning new exists for all UN agencies. The immediate task is to create the determination, establish appropriate internal and field organizations, recruit qualified personnel and generate action itself. The work of the UN Fund for these purposes is well under way. The Fund has received world-wide and rapidly-growing support. Since 1967, nearly fifty countries have pledged over $50 million, $30 million of which was pledged in the past year. The U.S. has pledged $26 million.

How is this money used?

The UN Population Fund serves as the central coordinating and funding mechanism for UN technical assistance activities in population matters. The Fund:

extends systematic and sustained assistance to member countries seeking aid in assessing and coping with population problems;

aids governments in promoting an awareness of population problems and of the social and economic implications of population trends; and

gives organizations within the United Nations system the means of providing more efficient and effective assistance in planning, programming and implementing population projects in accordance with their respective mandates.

Within this context the Population Fund supports population projects requested by governments of developing countries, United Nations organizations, and well-established non-governmental organizations concerned with population matters.

Priority consideration is given by the Population Fund to projects which have direct bearing on economic and social development. These include assistance in the collection and analysis of basic demographic data, demonstration projects in family planning connected with maternal and child health services, and clinical trials and pilot projects on new contraceptive techniques. In the case of family planning programmes, the Fund is prepared to extend support only if participation by the individual is completely voluntary.

Emphasis is also laid on social science research, the inclusion of family planning components in adult education programmes, teacher training courses and agricultural extension work, and on the organization of seminars on population matters. Assistance is also available for governments wishing to review laws and practices relating to population questions and to run information campaigns to awaken the public conscience and broaden understanding of population problems.

Through February 29, 1972, the Fund had allocated, earmarked or granted to UN agencies and private international organizations over $44 million. The largest recipients have been the UN Office of Technical Cooperation, which typically provides experts to requesting countries, ($4.3 million); WHO ($4.0 million); and UNICEF ($3.1 million).

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The UN has undertaken a number of significant activities to combat drug abuse. It has established the UN Fund for Drug Abuse Control, and formulated a Plan for Concerted Action Against Drug Abuse. Efforts are currently underway to strengthen the 1961 Single Convention on Narcotic Drugs, and in February 1971 a Convention to control Psychotropic Substances was initialed. The Commission on Narcotic Drugs (CND) and the International Narcotic Control Board (INCB) have both assumed increased importance.

On April 1, 1971 with an initial pledge of $2 million from the U.S. a UN Fund for Drug Abuse Control was established. Since that time, other member countries have raised the total to over $3 million. We expect to pledge an additional $2 million in 1972 and are actively encouraging other countries to pledge on a continuing basis.

The UN Fund will finance the UN Plan for Concerted Action Against Drug Abuse. This Plan will assist in the effort to:

(1) limit the supply of drugs to legitimate requirements by ending illegal production and substituting other economic opportunities;

(2) promote facilities for treatment, rehabilitation, and social reintegration of drug addicts;

(3) develop education material and programs against drug abuse in high-risk populations;

(4) enlarge the capabilities and extend the operations of existing UN drug control bodies; and

(5) expand the UN's research and information facilities.

The first Country program under the UN Fund is a 5-year program for Thailand which is already underway.

The main thrust of the program will be to assist the Government of Thailand in the progressive elimination of opium poppy cultivation, in reducing drug addiction, in strengthening operations against the illicit drug traffic, and in developing drug education and information programs. With reference to operations against the illicit drug traffic, the UN itself will provide technical aid through the UN Division of Narcotic Drugs in Geneva, including seminars and training fellowships in law enforcement. Their efforts will complement U.S. bilateral assistance. In the near future we expect the UN to develop other country programs similar to the UN-Thai program.

Some ninety-one members of the UN are currently meeting in Geneva to consider amendments designed to strengthen the Single Convention on Narcotic Drugs. This Convention entrusts to the CND and the INCB certain functions designed to limit narcotic drugs to medical and scientific uses. Twenty-seven nations have thus far joined us in co-sponsoring a series of amendments designed to strengthen international control over illicit traffic and specifically to: require detailed information about opium poppy cultivation and production; authorize the Board to assist the State concerned in carrying out on-the-spot inquiries on drug-related activities; permit the Board to call the attention of UN bodies to instances of serious breaches of the Convention; and, finally, would give the Board authority within prescribed limits to modify estimates of drug cultivation, production, etc., submitted by States. In addition an amendment would make narcotic offenses extraditable as between the treaty parties.

In Vienna on February 21, 1971 the U.S. joined 22 other nations in signing a Convention on Psychotropic Substances designed to bring under international control those dangerous drugs which include the amphetamines, barbiturates, hallucinogens like LSD, and tranquilizers.

The Convention requires licensing of the manufacture and trade in psychotropic substances, medical prescriptions for their sale, keeping of records by manufacturers and distributors, periodic inspections and reporting. Both import and export authorizations will be required for the most dangerous substances. The Convention calls for coordinated action against illicit traffic, punishment of violators and extradition of offenders, the treatment, rehabilitation and social integration of addicts, and measures of prevention and education. The INCB will have reporting and supervisory functions and the CND will have decision making, reviewing and recommending authority. On June 29, 1971 President Nixon submitted the treaty to the Senate for its advice and consent to ratification. The Senate Foreign Relations Committee held hearings on the Convention on February 4, and implementing legislation is now before the Congress. The

Convention will come into force three months after 40 nations have ratified or acceded to it.

The UN Commission on Narcotic Drugs (CND), a subsidiary body of the Economic and Social Council, has assumed increased importance as the danger of drug abuse has been increasingly recognized. It has played a key role in establishing the UN Fund and Plan and in stimulating both the Conference to Amend the Single Convention and the Conference which drafted the Psychotropics Convention. At its 1971 meeting it set up an *Ad Hoc* Committee on Illicit Traffic in the Middle East, composed of Iran, Pakistan, and Turkey. These three countries have agreed to work with UN support to promote more effective cooperation and increase mutual assistance in efforts to eliminate illicit drug production and traffic in the region. Afghanistan, which is not a member of the Commission, has agreed to participate.

UN Corps of Volunteers

On December 7, 1970, the General Assembly adopted, by a vote of 91 to 0 with 12 abstentions the resolution establishing the UN Corps of Volunteers and requested the Secretary General to appoint the Administrator of the UNDP as Administrator of the UN Volunteer Program. The UN Volunteers were established with effective date of January 1, 1971 and Ambassador *Assad K. Sadri* of Iran was appointed coordinator of the UN Volunteer program within the framework of the UNDP.

The nucleus staff for the Office of the Coordinator has been recruited and the organization has entered into contracts with existing organizations active in this field, such as the International Secretariat for Volunteer Services (ISVS), and the Coordinating Committee for Volunteer Services (COCO) has initiated several new programs with developing countries.

At the time of the last UNDP Governing Council meeting (January 1972) the Coordinator for UN Volunteers reported that formal requests for a total of 116 UN Volunteers, to work on UNDP projects, have been received from 8 countries (Chad, Iran, Niger, Pakistan, Yemen, Haiti, Jamaica and Togo). Of these, 41 volunteers are now employed in the field on UNDP projects in five nations. The remaining 75 requests are under active recruitment. An additional 65 requests are currently under negotiation. The recruitment, selection and some training functions for these projects, at the present time is being performed by ISVS under contract with the UN Volunteers.

Administrative costs of the UN Volunteer program are met by the UNDP. The local costs of UN Volunteers (living allowance, housing equipment and supplies) are financed out of the UNDP project budget, a portion of which is normally contributed by the host government. The "external costs" (selection, training, medical exams, international travel and resettlement allowance) are met by countries who supply the volunteers, in the case of volunteers recruited from the developed nations. In the case of those volunteers who are recruited from the less developed nations, to the extent their own country is unable to meet these costs, a special voluntary fund has been established under the control of the Coordinator. The US has pledged $200,000 as an initial contribution to this fund.

Question 3. The President's 25th Anniversary Commission recommended that the Assistant Secretary for International Organization Affairs be "given additional and more comprehensive authority to deal with economic and social activities of U.S. involvement in the UN system."

(a) Has this recommendation been implemented? If so, how?

Answer. The Department of State has been moving to assert its responsibility and achieve better coordination throughout the Executive Branch as the President directed in January 1970 and in line with the Commission's recommendations. A recent reorganization of the Bureau for International Organization Affairs has helped the Department to exercise more comprehensive authority over UN economic and social activities throughout the Executive Branch.

We are currently exploring the possibility of simplifying the Executive Branch's present complicated effort to obtain funds from the Conrgess to cover the US Government's assessed and voluntary financial contributions to international organizations and programs. One approach would bring together in one bill all assessed and voluntary contributions the United States makes to all international organizations.

Question 3(b). Please describe in detail your Bureau's role and procedures in coordinating the U.S. position in all international organizations.

Answer. The Bureau of International Organization Affairs goes to considerable effort to coordinate the U.S. position in all international organizations and to insure that the U.S. Government speaks with one voice at all international meetings. Over twenty years ago the Executive Branch established an inter-agency committee called the UN Economic Committee (UNEC) which is the mechanism responsible for achieving inter-agency coordination on economic matters raised in the United Nations. This committee is responsible, for example, for the development of cleared inter-agency positions on all agenda items of an economic and social nature discussed at the General Assembly of the United Nations, the Economic and Social Council, the four regional commissions of the Economic Commission for Africa (ECA), the Economic Commission for Asia and the Far East (ECAFE), the Economic Commission for Europe (ECE), and the Economic Commission for Latin America (ECLA), the UN Development Program, the UN Industrial Development Organization, the Natural Resources Committee of ECOSOC, the six regional commissions of ECOSOC responsible for Population, Statistics, Status of Women, Human Rights, Social Development, and Narcotics, the UN Conference on Trade and Development, etc.

The UN Economic Committee is chaired by a senior State Department official and the system works briefly as follows. Some two months prior to any of the above list of meetings, the UNEC chairman calls a meeting which makes action assignments for the preparation of individual position papers. The practice is for some part of the Executive Branch to prepare a position paper for every agenda item. This paper sets forth the problem, specifies the position the US delegation should take with regard to the problem, goes into detail under a discussion section and may or may not provide speech material for the delegation. If a draft resolution is required, that, too, is attached to the position paper. Depending on the meeting, the UNEC mechanism will have from four to fifteen agencies in the Executive Branch represented. The assignments for preparation of these papers are made by agency and sometimes by individual names within the agency. The agency is responsible for exercising leadership in formulating guidance that reflect the overall U.S. interest. This process makes possible the reconciliation of differences in the process of obtaining preliminary clearances of all other agencies who have indicated they wish to see the position paper in draft.

A week before the actual conference takes place, the chairman calls another UNEC meeting for the official clearance of position papers to that particular meeting. During the intervening period, drafts have been written, cleared, and finally all attendees have received complete sets of the papers in advance of the meeting. The clearance session can last from one to three hours and for the larger meetings, such as the General Assembly, often two or three separate clearance sessions are required. Conflicting opinions are aired, and attempts are made to reconcile them in so far as possible. At the end of the session, the chairman indicates whether the papers are cleared and insures that the position paper books are put together and made available to each member of the US delegation of that particular conference. If the chairman is unable to resolve a disagreement between agencies, the agency seeking a change in the position taken by the chairman may appeal the matter to the Assistant Secretary for International Organization Affairs.

Separate inter-agency clearance mechanisms similar to the UNEC procedure described above have been established for each of the Specialized Agencies so that in point of fact inter-agency clearance is achieved for all UN conferences prior to the holding of those conferences.

Question 3 (c). Is any consideration being given to the feasibility of making greater use of the United Nations for bilateral diplomacy or for international conferences?

Answer. We believe we are making considerable use of the UN forum for bilateral diplomacy. The Secretary of State meets each year during the General Assembly with a large number of Foreign Ministers and other world leaders to discuss both bilateral and multilateral issues. At the UN in New York, our Mission obtains valuable information on the positions of other countries on a large number of issues, including bilateral issues, and is also able to explain U.S. positions to other countries. Many U.S. delegations to individuals UN conferences take up a variety of issues with other individual delegations who are in attendance at these meetings.

The United States makes maximum use of the UN system in meeting problems common to the member nations, whether they be regional or worldwide in character. One has but to look at the diversified list of international conferences which are currently scheduled within the framework of the United Nations system to realize that we are treating with some of the major problems facing the world today through the UN. We are working on problems of the law of the sea, environmental problems, population, transfer of technology, problems of trade and finance, to name but a few. In fact it would be difficult to expand the number of UN conferences much beyond the present limit because of a lack of time during the course of the year and because of lack of conference space. Our latest estimates show that the UN family of agencies spent some 6,000 days in conference during 1971.

Question 4. The Department solicits the appointment of congressional advisers or delegates to meetings of some international organizations and conferences but not to others.

(a) What are the criteria used by the Department for inviting congressional participation?

Answer. The Department uses the following criteria for inviting congressional participation in delegations to meetings of international organizations and other multilateral conferences:

1. plenary or other major recurring conferences of international organizations which deal with broad policy matters—e.g., the General Assembly of the United Nations, the International Atomic Energy Agency, International Labor Organization, International Telecommunications Union, Organization of American States, Food and Agriculture Organization, World Health Organization, and United Nations Educational, Scientific and Cultural Organization—in which the Congress has demonstrated an interest;

2. other conferences which are expected to conclude treaties or other international agreements which would require congressional action (usually advice and consent of the Senate to ratification); and

3. other conferences on subjects in which the Congress has an interest demonstrated by recurring requests for participation of members of the Congress at meetings of these organizations—e.g., meetings of the Intergovernmental Committee for European Migration, major conferences on the environment, and conferences on important commodities such as lead and zinc.

Question 4(b). Has the Department given thought to naming congressional advisors to every conference whose work could result in a treaty to be submitted to the Senate?

Answer. The Department's policy is to invite the President of the Senate and the Speaker of the House of Representatives to nominate congressional advisers for delegations to multilateral conferences convoked to conclude treaties or other agreements which would require action by the Senate. The Department considers this especially important when the proposed international agreement would have a significant effect on the economic or international political interests of the United States. When the proposed agreement is of a specialized or technical nature and of limited prospective impact on the economic or international political interests of the United States, it has been the Department's practice in the past to invite congressional advisers only if informal inquiries ascertained a congressional interest in participation. The Department welcomes the participation of congressional advisers in U.S. delegations to conferences which are expected to conclude treaties or other international agreements to be submitted to the Senate and makes every effort to ensure that they are invited to serve on such delegations. In addition, the Department welcomes opportunities to provide briefings to interested committees and members of Congress concerning treaties proposed to be concluded, and the progress of negotiations on them.

Question 5. Would you furnish for the record the number of U.S. nationals employed by or on loan to international organizations by organization? Would you also supply a list of retired State Department personnel who now work for international agencies?

Answer. As of December 31, 1971, there were 4,859 U.S. Nationals employed by the United Nations, its Specialized Agencies, and other international organizations. Totals by organization are given below. Breakdown by category (Professionals and others) and source of funds (Secretariat and technical assistance programs) are given on the following chart.

United Nations	1,880
Food and Agriculture Organization	366
International Civil Aviation Organization	39
International Labor Organization	169
Intergovernmental Maritime Consultative Organization	3
International Telecommunications Union	18
UNESCO	177
Universal Postal Union	1
World Health Organization	232
World Meteorological Organization	13
Asian Development Bank	14
International Bank for Reconstruction and Development	796
International Monetary Fund	326
Inter American Development Bank	197
Organization of American States	260
Pan American Health Organization	129
Inter-American Institute of Agricultural Sciences	11
Inter-American Tropical Tuna Commission	21
Pan American Institute of Geography and History	1
Central Treaty Organization	3
Organization for Economic Cooperation and Development	38
Southeast Asia Treaty Organization	3
South Pacific Commission	3
Intergovernmental Committee for European Migration	20
International Atomic Energy Agency	96
General Agreement on Tariffs and Trade	6
International Bureau of Weights and Measures	1
International Center for the Study of the Preservation of Cultural Property	1
International Coffee Organization	1
International Cotton Advisory Commission	3
International Hydrographic Bureau	1
International Lead and Zinc Study Group	2
International North Pacific Fisheries Commission	1
International Secretariat for Volunteer Services	2
Interparliamentary Union	1
World Intellectual Property Organization	3

On March 13, 1972 the Senate Foreign Relations Committee requested that the Department of State provide, for the record, information on the number of retired State Department personnel now in the employ of international organizations. The Department informed the Committee that since the required information was not available from its records, it would request international organizations to provide it.

The Department has now been informed that the information maintained by international organizations on their personnel does not include that requested. They were unable, therefore, to provide the Department with official figures. However, U.S. Liaison Officers and officials of international organizations, from personal knowledge, have estimated that 27 U.S. citizens retired from State Department service are now in the employ of international organizations. The only organization that has not yet replied to the Department's request is the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). This organization has a total of 6 American citizens on its staff. When a reply is received, this report will be amended accordingly.

ORGANIZATION	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S. %	Total	U.S.	U.S. %	Total	U.S.	U.S. %
WMO:									
Secretariat	254	9	3.54	89	7	7.86	165	2	1.21
UN Development Program	101	4	3.96	101	4	3.96	0	0	---
Other Programs	2	0	--	2	0	--	0	0	---
Sub-totals	357	13	3.64	192	11	5.72	165	2	1.21
Sub-totals Specialized Agencies	18,664	1,018	5.45	9,543	861	9.02	9,121	157	1.72
3. International Financial Institutions									
*ADB	554	14	2.52	191	14	7.33	363	0	---
**IBRD:									
Secretariat	2,549	661	25.93	1,324	359	27.11	1,225	302	24.65
UNDP	393	90	22.90	393	90	22.90	0	0	---
IFC	163	45	27.60	94	24	25.53	69	21	30.43
IMF	1,202	326	27.12	638	180	28.21	564	146	25.88
***IDB	1,036	197	19.01	518	143	27.60	518	54	10.42
Sub-totals	5,897	1,333	22.60	3,158	810	25.64	2,739	523	19.09
4. INTER-AMERICAN ORGANIZATIONS									
Organization of American States (OAS)	1,130	260	23.00	578	168	29.65	552	92	16.66
Pan American Health Organization (PAHO)	774	129	16.66	380	81	21.31	394	48	12.18
Inter-American Indian Institute (IAII)	12	0	--	4	0	--	8	0	--
Inter-American Institute of Agricultural Sciences (AIAS)	392	11	2.80	138	10	7.24	254	1	0.39
Inter-American Tropical Tuna Commission (IATTC)	31	21	67.74	15	10	66.66	16	11	68.75
Pan American Institute of Geography and History (PAIGH)	46	1	2.17	12	1	8.33	34	0	---
Pan American Railway Congress Association (PARCA)	4	0	--	0	0	--	4	0	---
Postal Union of the Americas & Spain (PUAS)	13	0	--	3	0	--	10	0	---
Sub-totals	2,402	422	17.56	1,130	270	23.89	1,272	152	11.94

* September 30, 1971 totals; ** April 30, 1971 totals; *** June 30, 1971 totals

See question 5 Page 12

INTERNATIONAL ORGANIZATIONS, PERSONNEL STATISTICS: STAFF EMPLOYED IN SECRETARIAT AND FIELD POSTS, AS OF DECEMBER 31, 1971

ORGANIZATIONS	Total Staff			Professional Staff			Other Staff 1/		
	Total	U.S.	U.S. %	Total	U.S.	U.S. %	Total	U.S.	U.S. %
1. UNITED NATIONS									
UN Secretariat	8,577	1,457	16.98	2,254	439	19.49	6,323	1,018	16.10
Special UN Programs:									
UNRWA 2/	79	6	7.59	74	6	8.10	5	0	--
UNICEF	673	105	15.60	195	46	23.58	478	59	12.34
UNHCR	322	11	3.41	112	10	8.92	210	1	0.47
UNITAR	63	11	17.46	28	7	25.00	35	4	1.14
UN Development Program:									
Headquarters	609	128	21.01	246	61	24.79	363	67	18.45
Field Offices	454	45	9.91	328	41	12.50	126	4	3.17
ICJ	32	1	3.12	8	0	--	24	1	4.16
Sub-total	10,809	1,764	16.32	3,245	610	18.79	7,564	1,154	15.25
UN Technical Assistance Experts & Other Operational Personnel:									
Regular Program of Tech. Ass't. 3/	146	13	8.90	146	13	8.90	0	0	--
UN Development Program (UN/TAO) 4/	1,107	103	9.30	1,107	103	9.30	0	0	--
Sub-total	1,253	116	9.25	1,253	116	9.25	0	0	--

ORGANIZATIONS	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S. %	Total	U.S.	U.S. %	Total	U.S.	U.S. %
2. SPECIALIZED AGENCIES									
FAO:									
Secretariat	2,507	145	5.78	795	114	14.33	1,712	31	1.81
UN Development Program	2,204	146	6.62	1,868	140	7.49	336	6	1.78
WFP (Secretariat)	161	9	5.59	61	9	14.75	100	0	--
WFP (Projects)	107	10	9.34	107	10	9.34	0	0	--
Other Programs	1,473	56	3.80	774	48	6.20	699	8	1.14
Sub-total	6,452	366	5.67	3,605	321	8.90	2,847	45	1.58
ICAO:									
Secretariat	539	19	3.52	154	14	9.09	385	5	1.29
Regular Program of Tech. Ass't.	4	0	--	4	0	--	0	0	--
UN Development Program	127	15	11.81	127	15	11.81	0	0	--
Other Programs	85	5	5.88	39	5	12.82	46	0	--
Sub-total	755	39	5.16	324	34	10.49	431	5	1.16
ILO:									
Secretariat	2,144	92	4.29	574	57	9.93	1,570	35	2.22
Regular Program of Tech. Ass't.	31	1	3.22	31	1	3.22	0	0	--
UN Development Program	794	71	8.94	794	71	8.94	0	0	--
Other Programs	91	5	5.50	91	5	5.50	0	0	--
Sub-total	3,060	169	5.52	1,490	134	8.99	1,570	35	2.22
IMCO:									
Secretariat	114	3	2.63	37	3	8.11	77	0	--
UN Development Program	14	0	--	14	0	--	0	0	--
Sub-total	128	3	2.34	51	3	5.88	77	0	--

ORGANIZATIONS	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S. %	Total	U.S.	U.S. %	Total	U.S.	U.S. %
ITU:									
Secretariat	493	7	1.41	132	4	3.03	361	3	0.83
UN Development Program	209	11	5.26	209	11	5.26	0	0	--
Other Programs	54	0	--	54	0	--	0	0	--
Sub-total	756	18	2.38	395	15	3.79	361	3	0.83
UNESCO:									
Secretariat	1,751	116	6.62	599	86	14.35	1,152	30	2.60
Regular Program of Tech. Ass't.	269	7	2.60	102	7	6.86	167	0	--
UN Development Program	1,046	47	4.49	812	45	5.54	234	2	0.85
Other Programs	322	7	2.17	168	4	2.37	154	3	1.94
Sub-total	3,388	177	5.22	1,681	142	8.44	1,707	35	2.05
UPU:									
Secretariat	96	1	1.04	55	1	1.81	41	0	--
UN Development Program	37	0	--	37	0	--	0	0	--
Sub-total	133	1	0.75	92	1	1.08	41	0	--
WHO:									
Secretariat	3,054	177	5.79	1,348	148	10.97	1,706	29	1.69
UN Development Program	278	29	10.43	259	29	11.19	19	0	--
Other Programs	303	26	8.58	106	23	21.69	197	3	1.52
Sub-total	3,635	232	8.80	1,713	200	11.67	1,922	32	1.66

ORGANIZATION	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S. %	Total	U.S.	U.S. %	Total	U.S.	U.S. %
5. Other Regional Organizations									
North Atlantic Treaty Organization	1,088	21	1.93	231	20	8.65	857	1	0.01
North Atlantic Assembly	16	0	--	5	0	--	11	0	--
Central Treaty Organization (CENTO)	113	3	2.65	25	3	12.00	88	0	--
Colombo Plan Bureau	30	0	--	4	0	--	26	0	--
International Commission for Supervision & Control in Laos (ICC)	41	0	--	3	0	--	38 5/	0	--
Organization for Economic Cooperation & Development (OECD)	1,342	38	2.83	423	33	7.80	919	5	0.54
Southeast Asia Treaty Organization (SEATO)	179	3	1.67	36	3	8.33	143	0	--
South Pacific Commission (SPC)	70	3	4.28	28	2	7.14	42	1	2.38
Sub-totals	2,879	68	2.36	755	61	8.07	2,124	7	0.32
6. OTHER INTERNATIONAL ORGANIZATIONS									
Customs Cooperation Council (CCC)	66	0	--	29	0	--	37	0	--
Intergovernmental Committee for European Migration (ICEM)	523	20	3.82	85	10	11.76	438	10	2.28
International Atomic Energy Agency (IAEA)	1,102	91	8.25	275	44	16.00	827	47	5.68
IAEA-Regular Program of Tech. Ass't.	28	3	10.71	28	3	10.71	0	0	--
IAEA-UN Development Program	28	2	7.14	28	2	7.14	0	0	--
General Agreement on Tariffs and Trade (GATT) 6/	191	6	3.14	66	5	7.57	125	1	0.80
Hague Conference on Private International Law	11	0	--	4	0	--	7	0	--
International Bureau of the Permanent Court of Arbitration 7/	6	0	--	3	0	--	3	0	--
International Bureau for the Publications of Customs Tariffs	20	0	--	2	0	--	18	0	--
International Bureau of Weights & Measures	50	1	2.00	42	1	2.38	8	0	--
International Center for the Study of the Preservation of Cultural Property	14	1	7.14	6	1	16.66	8	0	--

ORGANIZATION	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S.%	Total	U.S.	U.S. %	Total	U.S.	U.S. %
6. OTHER INTERNATIONAL ORGANIZATIONS (Con't.)									
International Coffee Organization	74	1	1.35	26	0	--	48	1	2.08
International Commission for the Preservation of Atlantic Tuna 8/	5	0	--	2	0	--	3	0	--
International Commission for the Northwest Atlantic Fisheries	6	0	--	2	0	--	4	0	--
International Cotton Advisory Comm.	11	3	27.27	6	3	50.00	5	0	--
International Council of Scientific Unions (ICSU)	2	0	--	2	0	--	0	0	--
International Criminal Police Organization (INTERPOL) 9/	63	0	--	14	0	--	49	0	--
International Hydrographic Bureau	21	1	4.76	9	1	11.11	12	0	--
International Institute for the Unification of Private Law	14	0	--	8	0	--	6	0	--
International Lead & Zinc Study Group	2	2	100.00	1	1	100.00	1	1	100.00
International North Pacific Fisheries Commission	3	1	33.33	2	1	50.00	1	0	--
International Rubber Study Group	7	0	--	3	0	--	4	0	--
International Secretariat for Volunteer Services (ISVS) 10/	8	2	25.00	2	1	50.00	6	1	16.66
International Union of Official Travel Organizations (IUOTO)	41	0	--	15	0	--	26	0	--
International Whaling Commission	1	0	--	1	0	--	0	0	--
International Wheat Council	22	0	--	9	0	--	13	0	--
Interparliamentary Union (IPU)	15	1	6.66	8	1	12.50	7	0	--
World Inteilectual Property Organization	122	3	2.45	42	3	7.14	80	0	--
Sub-totals	2,456	138	5.61	720	77	9.72	1,736	61	3.51

ORGANIZATION	Total Staff			Professional Staff			Other Staff		
	Total	U.S.	U.S. %	Total	U.S.	U.S.%	Total	U.S.	U.S. %
				STATISTICAL SUMMARY					
United Nations	12,062	1,880	15.58	4,498	726	16.14	7,564	1,154	15.25
Specialized Agencies	18,664	1,018	5.45	9,543	861	9.02	9,121	157	1.72
Sub-totals	30,726	2,898	9.43	14,041	1,587	11.30	16,685	1,311	7.85
International Financial Institutions	5,897	1,333	22.60	3,158	810	25.64	2,739	523	19.09
Inter-American Organizations	2,402	422	17.56	1,130	270	23.89	1,272	152	11.94
Regional Organizations	2,879	68	2.36	755	61	8.07	2,124	7	0.32
Other International Organizations	2,456	138	5.61	720	77	9.72	1,736	61	3.51
GRAND-TOTAL	44,360	4,859	10.95	19,804	2,805	14.16	24,556	2,054	8.36

1/ This total includes professionals in posts not subject to geographic distribution and non-professional staff.

2/ In addition there are 14,120 UNRWA local employees, 3 of whom are U.S.

3/ Includes 27 experts - none U.S. - on UNIDO projects.

4/ Includes 254 experts - 28 of whom are U.S. - on UNIDO projects

5/ Total includes 17 civilian non-professionals in addition to. 14 civilian and 7 military personnel whose services are contributed by the supervisory powers.

6/ In addition there are 37 professional (incl. 4 U.S.) and 53 other (none U.S.) budgeted positions at the joint UNCTAD/ GATT International Trade Center. The ITC also has 31 professionals (none U.S) and 17 others (none U.S.) in extra-budgetary positions.

7/ All personnel are part-time

8/ New organization with Headquarters at Madrid

9/ In addition, there are 19 professionals and 39 others provided by member governments are no cost to the organization (none U.S.)

10/ December 31, 1970 statistics. 1971 statistics not available

Question 6. What proposals and pledges has the U.S. made for a permanent UN peacekeeping force?

Answer. We have for some time advocated certain practical steps to assure the availability of trained troops and facilities for UN peacekeeping. We believe the most promising approach is to join with other countries in helping countries train and earmark observers and contingents on a loose standby basis. Middle countries—and for both political and technical reasons these must continue to be the principal source of such manpower—appear reluctant to go beyond earmarking and for domestic political and constitutional reasons want to reserve the right to decide when to participate in a particular peacekeeping mission.

An underlying problem is that many members tend to remain on the sidelines awaiting big power agreement on ground rules for the conduct and financing of peacekeeping missions. There is only so much that can be done to strengthen the machinery until a political accommodation is reached on ground rules for direction and control. Two years ago we initiated discussions with the Soviets on a set of ground rules for future operations authorized by the Security Council, hoping this would lead to agreement in the UN's peacekeeping committee which is now deadlocked on the issues of direction, control and financing. A central question at issue is the degree of flexibility to be left to the Secretary General to adapt operations to the circumstances of each case. So far we have failed to reach an accommodation but will persist in this effort since we consider a strong political underpinning for peacekeeping missions as important if workable multilateral peacekeeping arrangements are ever to be achieved.

So far as U.S. participation, we continue to believe with the Lodge Commission that in addition to political and financial support our most suitable role is to provide logistical support, particularly airlift, in appropriate cases pursuant to a UN request. We are looking at the pros and cons of making an advance pledge of airlift and of earmarking UN specialist units.

Question 7. The U.S. time table for paying its assessments to the United Nations has been under criticism for its lateness.

(a) How can this time table be improved?

Answer. The UN fiscal year runs from January to December, while the U.S. fiscal year runs from July to June. The UN annual budget is usually adopted in December, the mid-way point in the U.S. fiscal year. Consequently, following present procedures, the first U.S. payment cannot be made until July of any calendar year because of the appropriation process, even though the UN contribution is due in full one month after members are billed, normally in February. It has been our practice to pay one-half of the U.S. contribution in July with the remainder being paid in equal installments in September/October and November/December in keeping with the principle of not expending Treasury funds in advance of need. We might, of course, pay our entire contribution in July, but that would still be five months late. As it is, however, we do complete our payments during the UN calendar year and if all members paid their assessments in full during the year, the UN would have no problem.

An alternate possibility, if the Congress were willing, would be a one-time request to appropriate two years of assessments in some one fiscal year. This would allow us to pay the current year's assessments that year as we have been doing, and then to pay most of the following year's assessment in February when it is due. Any difference in the assessment levels would be included in the appropriation requirement for the following year.

(b) Can the UN help matters by adopting a biennial budget so members can provide for their obligations in advance?

Answer. The Department has supported the adoption of biennial budgeting by UN Specialized Agencies and believes that the United Nations should move from an annual to a biennial budget. Whether this move would in itself have any appreciable impact on the short term financial crisis, however, is doubtful. In the case of the United States, for example, funds for our annual contribution would have to be appropriated in the fiscal year covering the first six months of the calendar year in which a contribution becomes due in order to permit prompt payment. It should be noted that the most significant cause of the financial crisis is the refusal of certain member states to pay their full assessments, rather

than payment of annual assessments in the middle or latter part of the calendar year in which the payments become due.

Question 8. With respect to the Inter-American Specialized Agencies—

(a) Would it be desirable to work toward a limit on U.S. assessments below the 60% plus that we are currently paying?

Answer. Assessment levels used for the OAS system are based upon the following criteria:

1. The quotas will be based on ability to pay as determined by the relative percentages each member pays in the UN.
2. In order to avoid a preponderant dependence of the Organization upon the payments from any one member no member shall pay more than 66%.
3. No other member shall pay more on a per capita basis than the major contributor.

At the General Assembly held in April, 1971, the Permanent Council was instructed to reexamine the above formula. That instruction was issued at the initiative of some members who felt the 66% maximum restriction should be raised.

The U.S. Delegation to the OAS has spent extensive time during the past year attempting to prevent the other members from voting through a raise in the 66% U.S. share which was established in 1951. The major argument which the other OAS members use is that on a comparative income basis the United States is under-assessed at 66%. At present, therefore, it is not propitious to attempt to lower the U.S. contribution. However, it is assumed we would obtain the benefit of the admission of new members to any of the OAS organization, as was the case when Canada joined PAHO.

In the OAS we are the only, so-called, developed country; we have no Britain, France, Italy, Sweden, Canada, Japan, Australia, New Zealand, USSR or other so-called developed country to keep us company.

In 1969 the U.S. GNP is recorded as $763 billion compared to a combined total for the other 22 OAS members of $108 billion. Using that base the U.S. would be required to pay seven times what the other 22 members would pay in combination. At the 66% level we only pay two times what they pay.

Question. (b) Is there duplication and overlapping between the Inter-American Specialized Agencies and those of the United Nations? How is their work coordinated?

Answer. With respect to each of the five Specialized Agencies, the answers are as follows:

1. PAHO (Pan American Health Organization). PAHO is not only a Specialized Agency of the OAS but it is also the Regional Unit for the Western Hemisphere of WHO. The budget which PAHO compiles is a combined one for both WHO input and PAHO member contributions. There is no duplication and there is complete coordination since they are administered as a single program under single direction.
2. IAII (Inter-American Indian Institute); PARCA (Pan-American Railway Congress); and PAIGH (Pan-American Institute of Geography and History). None of these three institutes has a comparable UN agency with which it could duplicate and overlap or which it should coordinate.
3. IAIAS (Inter-American Institute of Agriculture Sciences). The Institute and the Food and Agriculture Organization of the UN maintain working relations at all levels to coordinate the conduct of their respective programs. Although there is no overall agreement for cooperation between them, the contacts that take place between the executives and technicians of each afford continuing communication. Moreover, the Institute carried out a large UNDP project for which the FAO was the executing agency. The Regional Director of FAO for Latin America attends the Annual Meetings of the Board of Directors of the Institute; conversely, the Director General or his representative of the Institute attends the FAO Executive Committee and conferences. Finally, the Institute concentrates on institution building through training and long-term assignment of professional staff to agricultural institutions, while the FAO operates largely through shorter term technical assistance. Through all of these means, duplication is avoided.

Question 9. With respect to U.S. Missions to International Organizations, please furnish for the record the following information:

(a) $217.400 is budgeted for our mission to UNESCO and $158,400 for the one to the OAS. How does this reflect our priorities?

Answer. An amount of $217,400 is budgeted for our mission to UNESCO. This includes funds for salaries and other related costs for five American positions and one local. These related costs include the usual housekeeping functions of an overseas post, namely rents, utilities, communications costs, shared support reimbursement to the Embassy Official Residence expenses of the USREP. These items account for the difference of some $59,000 between the UNESCO and OAS missions. The OAS mission budget of $158,400 does not include these items because it is located in Washington, D.C. where the entire backstopping resources of the Department are also available. It does include, however, salaries and related costs for seven American positions.

(*b*) *The United States has separate missions to some international organizations (ICAO, FAO, UNESCO, IAEA) and in Geneva a combined mission to ILO, WMO, WHO and ITU. What criteria does the Department use to decide whether to set up a special mission to an international organization? Why can't the local American embassy handle our representation to the international organizations located at its post? Where there are special missions, how is their work coordinated with that of the embassy? Are administrative services and overhead shared with the embassy?*

Answer. The staffs of U.S. Missions to International Organizations represent the United States in diplomatic, organizational, procedural and administrative matters on specialized agencies of the UN. The establishment of a mission is based on the need for the United States Government to have specialists who provide continuous on-site liaison between the other Member Governments and the Department of State. The responsibility for the presentation of the U.S. position and negotiations with the other representatives and officers, could not be carried out as effectively if the staffs were not permanently located where the international organizations are headquartered.

The Embassy and other U.S. Government offices abroad cannot usually, because of the specialized nature of these activities, provide the necessary staffs with the expertise required in the negotiations pertaining to complex international organization policies as they affect the U.S. Government.

The missions' staffs are limited, however, and a number of housekeeping functions are delegated to the various Embassies which provide administrative support services in return for reimbursements of a share in overhead costs.

Question 10. (a) $135,000 is requested as a contribution to the Central Treaty Organization. What is the justification for this contribution since the U.S. is not a formal party to the treaty?

Answer: The Central Treaty Organization, as a regional organization of free peoples for mutual assistance, has continued programs of self-help and mutual cooperation for the protection of the independence and security of the peoples of the Treaty parties in the Middle East, for the development of their economic and social well-being, and for the safe-guarding of their basic rights and liberties. The Department therefore considers it in the interest of the United States and consonant with the declarations of policy and the hope of the Congress as expressed in Section 102 of the Foreign Assistance Act (21 USC 2151) and with Public Law 85–7 (22 USC 1961–1965) that the United States contribute toward strengthening the Central Treaty Organization and making its program of self-help and mutual cooperation more effective. To this end the United States, although not a formal party to the Treaty, participates in Observer status in the CENTO Council and Council Deputies meetings, and, by agreement with the Treaty parties, as a member in the committees of the Organization. In order to participate in these bodies for the above-stated purposes, the United States is obligated to pay its proportionate share of the Organization's expenses. The Department has included a request for funds for this purpose in its budget request for the International Conferences and Contingencies Appropriation for each Fiscal Year beginning with FY 1958, in order to meet the requirement of Section 5(a) of Public Law 885, 84th Congress (22 USC 2672) requiring approval by the Congress for participation in the activities of an international organization for more than one year when provision has not been made by the terms of any treaty, Convention, or special Act of Congress.

(*b*) *Please furnish information concerning any U.S. representation at CENTO headquarters.*

Answer. CENTO Headquarters (Secretariat) consists of approximately 25 officers and 60 staff personnel (1971), supplied by the five CENTO partners.

Three U.S. career Foreign Service officers are loaned to the Secretariat for two-year tours as (a) Special Assistant to the Secretary General; (b) Economic Secretary; and (c) Director of Finance. Their salaries are credited against the annual U.S. assessment. No other Americans are on the CENTO Secretariat staff.

There is also a Combined Military Planning Staff for CENTO, an international staff of senior officers from all three services of the five member countries. The United States' share of the CMPS budget is provided by the Department of Defense, as is personnel of the planning staff.

(c) Does the Executive Branch consider that the United States has any defense commitment to the parties of the CENTO pact? Please provide information concerning any commitment that the Executive Branch considers we have undertaken to parties to this treaty.

Answer. With only observer status in CENTO, the United States' defense commitment to the parties of the pact (other than the United Kingdom) is embodied in identical bilateral Agreements of Cooperation signed by the United States with Iran, Pakistan and Turkey in Ankara on March 5, 1959. Article I reads: "The Government of (Iran/Pakistan/Turkey) is determined to resist aggression. In case of aggression against (Iran/Pakistan/Turkey) the Government of the United States of America, in accordance with the Constitution of the United States of America, will take such appropriate action, including the use of armed forces, as may be mutually agreed upon and as is envisaged in the Joint Resolution [of the Congress] to Promote Peace and Stability in the Middle East, in order to assist the Government of (Iran/Pakistan/Turkey) at its request."

The above reference to the Middle East Resolution (noted in (a) above—Public Law 85-7) limits the U.S. undertaking to consider the use of armed force to cases of "armed aggression from any country controlled by international communism."

CENTO members Turkey and the United Kingdom are also NATO members, and Pakistan and the United Kingdom are also SEATO members.

Question 11. (a) U.S. participation in multilateral development banks is handled through the Treasury Department. Is any consideration being given to shifting this responsibility to the State Department in order to consolidate direction and control of U.S. relations with international organizations?

Answer: United States relations with the international lending institutions have obvious foreign policy ramifications beyond their financial importance. There is a formal mechanism for coordinating the policies of the various agencies. The National Advisory Council on international monetary and financial policies (NAC) was set up for this purpose by Executive Order to advise the Secretary of the Treasury in connection with his legislative responsibility for instructing the U.S. Executive Directors in these institutions. Together with Treasury and State, the Federal Reserve Board, the Department of Commerce, and the Export-Import Bank are represented in the NAC. No consideration is being given to shifting responsibility to the State Department.

(b) Voluntary contributions to the United Nations organizations are funded through appropriations for the foreign aid program. What are the respective roles of State and AID in administering this program? How many people in AID work on matters relating to the voluntary contributions program?

Answer. Administration of U.S. voluntary contributions to international organizations is essentially the responsibility of the Department of State. The Department (IO/CMD) is responsible for proposing and justifying the level of the U.S. voluntary contribution, for appraisal and review of UNDP programs and projects, and for evaluation of UNDP administration and ensuring an appropriate level of U.S. personnel. In certain of these matters, however, there is substantial participation by AID.

Since funds for the US voluntary contributions, are included within the AID appropriation, AID concurrence is of course required. The Department must also rely on AID for assistance in the appraisal of proposed UNDP projects and evaluation of country programs. In both cases, the views of AID field missions and country desks are of prime importance, and AID has guarded the right to coordinate the views of these sources into an official AID position, which generally becomes the US position. Since the Bureau for International Organization Affairs has not had the personnel to handle these functions alone, the Department has had to rely heavily on AID's assistance. AID (PPC/IA) has three persons working full-time and six part-time on voluntary contributions programs.

ADDITIONAL QUESTIONS BY SENATOR FULBRIGHT

Senator FULBRIGHT. Do you have any suggestions on how we can improve our participation in international organizations, particularly the UN?

Mr. DE PALMA. We have been moving along two tracks to improve the effectiveness of our participation in the UN system. One track has been to organize the IO bureau for better coordination of administrative and budgetary matters, and to ensure that policy-making is responsive to government-wide interests. We have set up a Coordinator of Multilateral Assistance and a number of functional Agency Directorates to fix responsibility for and enable us to contribute more effectively to the coordination of U.S. policy regarding program, budget, evaluation etc., in such fields as health, agriculture, atomic energy uses and educational and scientific activities. We are still in a shake-down period. The agency directorate structure has fostered a more intimate relationship with other government departmens and more rapid decisions on matters concerning the Specialized Agencies. But we find that decision-making in these inter-departmental areas is a complicated process and it is perhaps too soon to be able to cite evidence of improved operational efficiency. Already, however, we believe we have succeeded in focussing more concentrated attention on the UN Development Program and the Specialized Agencies and as our knowledge of their programs and budgets increases we expect to be able to enhance the effectiveness of our participation in these programs and agencies. Our main problem continues to be a shortage of personnel.

The other track has been to look for ways to reform the structure, procedures, and agenda of UN agencies in order to ensure that they allocate resources in accordance with the right priorities and improve their over-all performance. The focus for our effort has been the recommendations of the President's Commission on the UN, the Lodge Commission. We are examining these in terms of our over-all priorities and the capacity of international institutions to carry them out.

We have made less progress than we would have liked in our efforts to improve procedures in the General Assembly, put the UN on a sounder administrative and financial footing, revitalize the Security Council and work out better arrangements for peacekeeping. We have been more successful in moving toward strengthening the Economic and Social Council as the organ for coordinating economic and social activities, overseeing international development strategy, and dealing with the application of science to global needs.

Much progress has been made also in strengthening the role of the UN in fostering international cooperation on social issues, such as population control, drug abuse, and mobilizing resources for disaster relief. One of our main objectives at the moment is to use the UN system to develop international law and institutional arrangements to cope with the results of the technological revolution. Law of the sea, including the equitable exploitation of the seabed resources, protection of the environment and outer space cooperation are among the areas in which the UN is organizing itself to play a major role, often as a direct result of our initiatives.

For all of these social and technical areas we have developed inter-agency coordinating machinery in which the Bureau of International Organization Affairs and the Department of State as a whole plays a key role. Strengthening and improving this machinery will be one of our main preoccupations in the next year or two.

Senator FULBRIGHT. What is the status of the UN headquarters expansion proposal? Is this an area where the UN could be cutting expenses?

Mr. DE PALMA: The UN headquarters expansion project is presently in limbo. Estimated at $80 million, the cost of the project was to be covered by contributions of $15 million from the UNDP and UNICEP (based on rentals these organizations would otherwise pay), $25 million from the regular budget of the UN, $20 million from the city of New York and $20 million from the United States as host country. Since New York City's contribution was made contingent upon the Federal grant, the U.S. contribution was the cornerstone of the entire financial package. However, a request for funds was denied by the Congress in December 1970 because there was no legislative authority for the contribution. Subsequently, PL 91–622 was enacted providing this authority. In May, 1971 funds for the requested $20 million U.S. contribution were again not appropriated.

The matter was debated at the 1971 General Assembly which passed a resolution deferring a final decision on the project until the 1972 General Assembly, at which time the Secretary-General will submit a study of the space situation at headquarters accompanied by his recommendations for action.

Since the office space shortage problem persists, we anticipate substantial requests in 1973 and thereafter for new construction, probably in Geneva. This will, of course, involve the movement to Geneva of additional units of the UN Secretariat, with an inevitable loss in coordination and efficiency. In that event, also, the U.S. will lose the political and economic advantages of retaining the full Headquarters Secretariat in this country, while, at the same time, being charged its assessed share of the overseas building costs.

Finally, it should be noted that about $16 million of the original headquarters expansion project was intended to enlarge and refurbish the present headquarters conference facilities. With the membership having grown to 132, this need persists and we would expect that the Secretary-General's report will propose action to meet this need.

Senator FULBRIGHT. Does the UN need another specialized agency such as the proposed one on pollution? Would not better consideration between the other specialized agencies serve the same purpose?

Mr. DE PALMA. The Department has firmly opposed the creation of another specialized agency to deal with global problems of the environment, and this view has been generally shared by the members of the 27-nation Preparatory Committee for the Stockholm Conference on the Human Environment and the Conference's Secretary-General, Maurice Strong.

The Department agrees that a better approach to this problem is to provide for closer coordination of the environmental activities of existing Agencies. Proposals which the U.S. has recently made to the 4th Session of the Preparatory Committee on the Stockholm Conference are designed specifically to provide a mechanism for such coordination. The U.S. Representative recommended the creation of a small unit in the UN, to be headed by the "Administrator of UN Environmental Programs." The Administrator would provide a central point of coordination in the UN system for the environment activities of all the specialized agencies, the IAEA and other bodies such as UNDP, UNCTAD, UNIDO and the regional economic commissions. He would administer the Fund for the Environment recommended by the President in his recent environmental message to the Congress. The Administrator would preside over an interagency group composed of the senior executive officers in charge of environment programs of the other Agencies in the UN family which would meet from time to time for the purpose of promoting cooperation and coordination on the execution of environment programs. To provide intergovernmental policy guidance to the Administrator, under the U.S. proposal, a Commission for the Environment would be established within the framework of ECOSOC.

ADDITIONAL QUESTIONS BY SENATOR SYMINGTON

Senator SYMINGTON. How many of the smaller international organizations are basically clearing-houses for information? What benefits do we get from belonging to such organizations? Are we just busybodies who have to be in on everything?

Mr. DE PALMA. There are over 200 intergovernmental organizations including regional organizations. Excluding the Latin American organizations and the regional organizations such as NATO, SEATO, etc., to which we do belong, the U.S. is a member of only 32 other intergovernmental organizations. (This number includes the Colombo Plan, OECD, South Pacific Commission.) Of these, 20 might be said to have information gathering as a principal purpose. However, the information gathering has a direct influence and purpose reaction programs in which the U.S. has an important interest.

For example, the North Pacific Fur Seal Commission formulates and coordinates research programs, but with a view to conserving the North Pacific fur seal herds. The same can be said for the International Commission for the Conservation of Atlantic Tunas. It coordinates and reviews tuna research with a view to the adoption of conservation regulations.

The U.S. derives benefits from each organization. In some instances, they provide at less expense a service which we would have to undertake ourselves if we were not a member. The International Bureau of the Publication of Customs

Tariffs, for example, translates and publishes the customs tariffs of various states of the world, which are useful and necessary for both the Government and U.S. business in connection with our foreign trade.

The commodity study groups such as International Lead and Zinc Study Group, the International Rubber Study Group, etc., are more than clearing houses for information. They are forums which enable experts from governments, supported in some cases by industry representatives, to exchange views on the market situation and outlook and to review problems of common concern with possible remedies. They have developed into a valuable tool of international commodity policy, helping producers, traders, and consumers to adjust their policies in light of changing conditions and thus creating a measure of market stability without necessity of direct government intervention. Abolition of the study groups for the products important in the trade of developing countries would only result in stronger pressures for formal commodity agreements for these products, for these countries consider it imperative that there be some expert intergovernmental organization concerned with the problems of their major export products.

The International Bureau of Weights and Measures (IBWM), although relatively small, performs a function which is essential to us. It insures international standardization of basic units of measure throughout the world which has an important bearing upon the exchange of goods and knowledge between countries.

In collaboration with other international scientific organizations, the IBWM has established an international system of units which embraces the metric system but is much more more complete in that it provides a basis for all major types of physical measurement. Conventional units used in the United States and other English-speaking countries are now derived from the international system of units.

Senator SYMINGTON. About the only allusion in the budget estimates to the fact that Communist China has joined the UN is an item referring to the need for "enlargement of the Chinese language section." Could you discuss the impact of Chinese admission on a broader scale?

Mr. DE PALMA. Only a short time has elapsed since the PRC representatives arrived at the United Nations and they have approached UN issues cautiously and methodically. Therefore, it is still early to make definitive judgments about the impact of PRC entry into the UN, but we believe the following observations may be pertinent:

—given the wide range of issues in the UN and the diversity of UN membership, the political process in the General Assembly and the Security Council is already complex; the presence of the PRC has made it a little more so;

—opportunities for constructive UN action have been expanded, in our view, now that the PRC, a government representing over 800 million of the world's population, is represented in it;

—however, the presence of PRC representatives has produced no magic solutions; as indicated during the recent Indo-Pakistani crisis, obtaining effective N action to maintain international peace and security is and will remain a difficult problem for the UN and its members;

—in UN bodies, PRC and Soviet representatives have engaged in polemical arguments, reflecting their own differences and their competition for greater influence among non-aligned members of the UN; these propaganda exchanges, however, have not so far markedly affected the outcome of UN discussions;

—in the short time since the PRC representatives arrived in the UN, the U.S. has not been unduly singled out for attack; however, we expect points of ideological or political disagreement between the U.S. and PRC to be reflected in UN discussions as such issues arise;

—seating of the PRC in the General Assembly has led to related calls for action to seat the PRC in UN Specialized Agencies and to expel representatives of the Republic of China; action to this end has already been taken by UNESCO, ILO, ICAO, IAEA, WMO and FAO and is likely to be considered by the other Specialized Agencies in the near future. However, the PRC has not yet taken its seat in any of them;

—since the contribution of the Republic of China for the regular UN Budget was assessed on the basis of economic data applying to China as a whole,

there has been no change in the rate of assessment for "China" as a result of PRC entry into the UN; the PRC has already paid $3 million of its assessment for 1972; however, the PRC has stated it will not pay for certain UN expenditures it considers hostile or in violation of the UN Charter; these are the same activities for which the Soviet Union and its allies, France and a few others are already withholding contributions.

Senator Symington: Would it be feasible and desirable for the UN General Assembly to approve a two-year budget, so that members can know their obligations sufficiently in advance to make possible prompt payment and relieve the short term crisis?

Mr. DePalma: The Department has supported the adoption of biennial budgeting by UN Specialized Agencies and believes that the United Nations should move from an annual to a biennial budget. Whether this move would in itself have any appreciable impact on the short term financial crisis, however, is doubtful. In the case of the United States, for example, funds for our annual contribution would have to be appropriated in the fiscal year covering the first six months of the calendar year in which a contribution becomes due in order to permit prompt payment. It should be noted that the most significant cause of the financial crisis is the refusal of certain member states to pay their full assessments, rather than payment of annual assessments in the middle or latter part of the calendar year in which the payments become due.

The CHAIRMAN. Our next witness is Mr. John Richardson, Jr., Assistant Secretary for Educational and Cultural Affairs, accompanied by Mr. Richard K. Fox, Jr., Executive Director.

Mr. Richardson, we are very pleased to have you with us here this morning.

You have been in charge of this very important activity, and I notice rather marked progress in your relations with Congress; so, I congratulate you.

Do you have a prepared statement?

Mr. RICHARDSON. Yes, sir, I do.

The CHAIRMAN. Would you proceed, please?

Mr. RICHARDSON. Thank you, Mr. Chairman; yes, sir.

STATEMENT OF JOHN RICHARDSON, JR., ASSISTANT SECRETARY OF STATE FOR EDUCATIONAL AND CULTURAL AFFAIRS, ACCOMPANIED BY RICHARD K. FOX, JR., EXECUTIVE DIRECTOR, AND WILLIAM JONES, DEPUTY ASSISTANT SECRETARY

Mr. RICHARDSON. Mr. Chairman and members of the committee.

TASKS OF BUREAU

The programs of the Bureau of Educational and Cultural Affairs are designed to improve informal communication between kev elements of American society and other societies in order to enhance mutual understanding and thereby to contribute to building the structure of peace. Our tasks are thus, to identify important barriers to, and opportunities for, effective, politically relevant communication with other societies, and to help see to it that intelligent efforts are made by both government and private agencies to break down such barriers and enlarge such opportunities.

More specifically the Bureau attempts:

To strengthen ties between institutions in the U.S. and other nations, especially in the educational, scholarly and scientific communities;

To enable experts on specific areas of international concern to meet and to share their knowledge, problems and ideas through joint effort;

To ensure that the current and up-coming leaders of other nations obtain balanced and representative impressions of the United States and to give Americans a better knowledge and understanding of other nations;

To facilitate improved communication between U.S. and foreign leaders in fields significant for future international relations, so that opinions may be formed and decisions made on the basis of realistic mutual understanding rather than on myth, prejudice or ignorance.

To accomplish these goals, the Bureau concentrates on approaches which will engage individuals of outstanding promise or influence in activities likely to broaden perspectives, sharpen perceptions, increase knowledge, and build long-lasting personal relationships. Projects include direct support for the exchange of persons in scholarly, educational and scientific fields as well as for leaders and potential leaders in such areas as government, labor, the arts, media and the professions. In addition, the Bureau works to increase the quantity and improve the quality of non-government sponsored exchange activities through counseling foreign students, assisting nonsponsored international visitors, providing small grants and other assistance to private organizations concerned with educational and cultural exchange activities, and providing modest financial and facilitative assistance to the appearance of American performing artists abroad.

EAST-WEST CENTER

The East-West Center, a national educational institution located at the University of Hawaii is also supported by the Department under a separate appropriation. The center seeks to strengthen ties between the U.S. and other nations by bringing together students, professionals and scholars from this country and the nations of Asia for joint research and study in key problem areas, such as population, food, technology and communications.

AUTHORIZATION REQUEST

To undertake these programs, the Department is requesting authorization in fiscal year 1973 of $52,400,000 for exchange activities to be administered by 263 domestic employees. An additional $6,800,000 is requested for the East-West Center.

(Committee staff note: The following tables give additional information about the activities of the Bureau of Educational and Cultural Affairs:)

EDUCATIONAL EXCHANGE

Mutual Educational and Cultural Exchange Activities

This appropriation includes all educational and cultural exchange programs carried out by the Department of State under authority of the Mutual Educational and Cultural Exchange Act of 1961 (75 Stat. 527).

In addition to the new obligational authority requested annually under this appropriation title, activities are financed from other sources, including foreign currency reserves on hand in the binational educational foundations and commissions abroad, and other non-appropriated funds, principally contributions of foreign governments under cost-sharing arrangements. The program estimates and highlights presented herein reflect the total program financed from all sources.

The primary objective of these programs is the strengthening of the foreign relations of the United States through improved international communication among U.S. and foreign leaders, educational institutions and scholars, students and teachers.

Ten Year History

Year	Positions* Domestic	Amount	Year	Positions* Domestic	Amount
1964	473	$42,625,000	1969	353	$31,425,000
1965	466	45,000,000	1970	327	32,300,721
1966	458	53,000,000	1971	318	37,176,000
1967	444	47,000,000	1972	304	40,500,000
1968	417	45,125,000	1973 (est.)	298	52,400,000

* Includes positions under allocation to other agencies.

Note - Excludes $457,000 and 21 positions in 1973 for UNESCO activities transferred to Salaries and Expenses. Comparable amounts for 1971 are $496,213 and 23 positions and for 1972 are $466,000 and 21 positions.

Budget Summary

Appropriation, 1972	$40,500,000
Estimate, 1973	52,400,000
Increase	11,900,000

Program Activities	1972	1973	Increase or Decrease
Exchange of Persons	$30,482,492	$41,334,492	+$10,852,000
Aid to American-Sponsored Schools Abroad	1,700,000	2,400,000	+ 700,000
Cultural Presentations	700,000	1,000,000	+ 300,000
Program Services	7,179,000	7,640,000	+ 461,000
Administrative Expenses	2,672,000	2,767,000	+ 95,000
Total Program	42,733,492	55,141,492	+ 12,408,000
Deduct Other Available Funds	- 2,796,492	- 2,741,492	+ 55,000
Total Obligations	39,937,000	52,400,000	+ 12,463,000
Presidential Reduction - Directive, August 15, 1971	97,000	.....	- 97,000
Comparative Transfer to "Salaries and Expenses"	466,000	.....	- 466,000
Appropriation or Estimate	40,500,000	52,400,000	+ 11,900,000

Center for Cultural and Technical Interchange Between East and West

This appropriation provides for development, maintenance and operation in Hawaii of a Center for Cultural and Technical Interchange Between East and West. Its objective is to foster better relations and mutual understanding among the peoples of the United States, Asia and the Pacific area through cooperative study, training, and research. The program is carried out through a grant to the Regents of the University of Hawaii. The Center conducts the program and administers grants, fellowships, and scholarships to qualified persons to engage in study or training at the Center.

Ten Year History

Year	Amount	Year	Amount
1964	$5,100,000	1969	$5,260,000
1965	5,800,000	1970	5,260,000
1966	5,800,000	1971	5,260,000
1967	6,050,000	1972	5,630,000
1968	5,220,000	1973 (est.)	6,800,000

Budget Summary

Appropriation, 1972	$5,630,000
Estimate, 1973	6,800,000
Increase	1,170,000

Program by Activities	1972	1973	Increase or Decrease
Education, research and training programs	$4,537,606	$5,616,868	+$1,079,262
Program direction, administration and institutional support services	1,092,394	1,183,132	+ 90,738
Appropriation or Estimate	5,630,000	6,800,000	+ 1,170,000

PERSONS ACCOMPANYING WITNESS

The CHAIRMAN. Thank you, Mr. Richardson. I forgot to acknowledge the other gentlemen. You are accompanied by Mr. Richard K. Fox, Jr., Executive Director.

Mr. RICHARDSON. Mr. Fox is on my left, Mr. Chairman, and Mr. William Jones, Deputy Assistant Secretary, is on my right.

The CHAIRMAN. I guess I need not tell you I have a special weakness for and a bias on this program. Maybe I ought to defer to my colleagues to ask you questions, but I will have to ask you a few anyway, because I have been really interested in this program now for 25 years, since 1945. It has, of course, proliferated. It has some things in it beyond the original concept.

PROSPECTS FOR REVIVING BILATERAL PROGRAM WITH CHINA

Before I get into more detail, one thing that interested me was that the first program I believe we initiated under the bilateral program was with China. Was it not?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. I wonder what is the present status of that?

I know it has lapsed, at least as far as Peking is concerned, but a number of these programs from time to time, due to the money running out or for various reasons, will lapse and are revived.

What is your view as to the prospect of a revival of that original program that we negotiated with China in, I guess, 1947 or 1948?

Mr. RICHARDSON. Yes, sir, 1947.

As you know, Mr. Chairman, the Shanghai Communique included a specific statement by both governments, an agreement to facilitate exchanges between the two countries.

The CHAIRMAN. I thought that was an excellent communique. I noticed that particularly.

Mr. RICHARDSON. And I think the President several times as well, in the course of his preparations for the trip, while he was there and thereafter, has referred to the importance of communications with China and has frequently, himself, referred to the importance of contacts between people, what he refers to often as "people-to-people contacts," and has frequently indicated his view that this should provide an important avenue for improved relations between this country and the People's Republic of China.

It is too early to say, Mr. Chairman—to predict how this understanding which has been achieved and spelled out in the communique will be carried out. We have no question that it will be carried out.

It appears likely that two or three things will happen.

We anticipate that the development of exchanges will be slow, not because we wish it to be slow and not because it is the wish of the Chinese government, the People's Republic of China, for it to be slow but simply because of the long gap of time and the difficulty of establishing relations of this kind between two societies which are so very different in the way they are organized and in the facilities available for interchange of this kind.

So, I think one of the important things from the point of the U.S. Government, the Congress and the public to know is that it is not likely that this will develop rapidly. We hope it will develop well.

And we hope that the exchanges carried out are constructively managed on both sides and will be so carried out that they will, indeed, contribute to an improvement in communication.

It is not necessarily so that that always happens. Exchange of persons, as you know, Mr. Chairman, needs careful attention in order that it will be a constructive exchange of value to the communications process.

For that reason, among others, I imagine that this will develop slowly.

The communique itself refers to scholars, scientists, and journalists, and in all of those fields and in others we would hope that exchanges will develop, two-way exchanges we would hope, which will contribute substantially to improvement in communication.

But I say again that it may well be slow. At present, there are no concreté plans other than the invitation of the United States Table Tennis Association for a Chinese ping-pong team to tour in this country. That invitation has been accepted but no date has been set.

POSSIBILITY OF REVIVING ORIGINAL AGREEMENT WITH CHINA

The CHAIRMAN. What happened to the original agreement with them? Could it be revived?

It was with the then government of China as a country.

We will say that it has lapsed, but I remember agreements with Turkey and other countries lapsed and were revived.

Have you or any of your staff taken a look at the original bilateral agreement with China?

Mr. RICHARDSON. We continue to have a bilateral-exchange-program relationship and a binational commission arrangement with the Republic of China.

The CHAIRMAN. Was that the same one carried on with Taiwan under the original authority of the original bilateral agreement?

Mr. RICHARDSON. I am not certain as I sit here and answer you, but I believe so.

The CHAIRMAN. Is it currently active?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. Then all you do is what the United Nations did, technically speaking. If they are willing all you do is: Peking takes up the cudgels like they have taken up the seat in the United Nations?

Mr. RICHARDSON. No, that would not be the way to proceed.

The CHAIRMAN. Why not?

Mr. RICHARDSON. Because it is our view of the program—and I think you have seen it the same way over the years—that it is a program that is useful and constructive in encouraging improved communication with all kinds of societies and all kinds of countries regardless of the governments in those countries.

The CHAIRMAN. Granted, but the President, himself, I thought, in his communique or his statement recognizes that Taiwan is part of China. He has given up the two-China concept hasn't he?

Mr. RICHARDSON. Well, I do not think there, Mr. Chairman, that it is appropriate for me to comment on the President's statement.

The CHAIRMAN. Isn't that what was said in the communique?

Maybe I am mistaken. Maybe I read that incorrectly.

I will not pursue it. I know it is not for you to determine such a complex question. I am raising it because of a purely sentimental reason.

It is right interesting now that the first program negotiated was with China and, of course, the precedent of the way we handled the Boxer indemnity, was one of the most persuasive reasons why we passed the bill in the first place. It was used in the original hearings in 1945. The precedent in that and Mr. Hoover's experiences were used as precedents for the enactment of the bill which created the program.

I thought it was very interesting to hear this come full-circle. We are back, at least, where the prospect is with China. I will not finish that. I do not want to pursue it.

Your present thinking is that a new agreement has to be negotiated with the officials in Peking rather than their assuming the role under the existing binational agreement with China; is that correct?

Mr. RICHARDSON. Our present expectation in this, as in other areas, is that these exchanges will be carried with a minimum of governmental action in terms of an agreement or other official arrangement. We anticipate that exchanges will be carried on without such agreement, at least in the early stages.

The first exchanges, we think, will be on a very informal and on a private basis. We do not anticipate, therefore, that the question you address yourself to is likely to come up for some time to come, and, of course, we do have every expectation of maintaining our agreement with the commission and with the Government of the Republic of China.

HOW INCREASE IN FUNDS WILL BE USED

The CHAIRMAN. Coming to the immediate question, I notice you ask for an increase of $12,463,000 for fiscal 1973. Would you describe very briefly how these funds are to be used? Would you supply any additional detail for the record?

I assume this has been approved by the Budget Bureau, or you would not have asked for it. Is that correct?

Mr. RICHARDSON. Yes, Mr. Chairman. This is an approved request. The major share of the budget will continue to be devoted to the exchange-of-persons program, which includes many different varieties of exchanges of persons. In that area that we are requesting an increase of $10,852,000. That includes not only the exchanges we directly sponsor and contribute to, but also many cooperative efforts to build relationships that we stimulate and encourage between American and foreign organizations. It also includes a modest amount, $150,000, for expanding and enhancing high school exchange programs which have been highly effective over the years with emphasis on the lower-income countries and $805,000 for strengthening the selection, placement, counseling and orientation of non-grant students for which we are rapidly increasing our expenditures because we think that this pool of 145,000 foreign students now in this country—by far the largest group of foreign students in any country in the world—is a very important resource in terms of communication, in terms of the future relationships of our country and the countries from which those students come. Therefore, we have been, as rapidly as we could, increasing our effort in this area.

In addition to the basic exchange-of-persons program, we are re-

questing an increase for aid to American-sponsored schools abroad in the amount of $700,000, an increase in the area of what we call cultural presentation, which is the facilitation and encouragement of outstanding American performing artists and their groups to go to countries where there is a need and desire for them, and where they would not otherwise go.

The increased request there is $300,000.

And, then, the other increases are, in effect, administrative.

The other increase we are requesting apart from the basic Mutual Education and Cultural Exchange program is the East-West Center, and we are asking there for an increase of $1,170,000. Primarily, that increase is going to permit the development of an additional institute in the area of the humanities around which scholars and students from Asia and the Pacific Basin would be grouped along with their Ameriman counterparts to study and do research together just as they do in the various other institutes of the East-West Center.

The request will permit a strengthening of the East-West Center which is long overdue, the Center having rather recently I think, taken on what I think of as very much a new lease on life.

The CHAIRMAN. Thank you very much. I do not want to pursue all of the details. We would appreciate it if we could get, for comparative reasons, the breakdown of the comparable data between 1972 and 1973. It is very interesting.

Mr. RICHARDSON. Yes, sir.

(The information referred to follows:)

INCREASE IN FUNDS FOR EAST-WEST CENTER (SUPPLIED BY DEPARTMENT OF STATE)

The increase of $1,170,000 for the East-West Center for FY 1973 provides for:

Education, Research and Training Programs +$1,079,262

To provide for increased educational and cultural exchange activities, including a new program, an additional 250 individual exchanges of various types, and a follow-up program for East-West Center alumni ($607,600); to broaden the spectrum of academic disciplines and professional experience on the Center's staff and increase the quality, length, and continuity of the Center's research, study, and training ($429,671); to provide for non-discretionary salary, employee benefits, and other costs ($41,991).

Program Direction, Administration and Institutional Support Services +$90,738

To provide additional staff resources to strengthen the Center's management and to solicit additional private and foreign government assistance for the Center; meet non-discretionary salary, employee benefit and other costs, and provide additional supplies, materials and support services ($90,738).

The CHAIRMAN. Of course, I think you have done a magnificent job in persuading the Budget Bureau to go along with this increased request.

PROGRAM NOT BACK TO 1966 LEVEL

I may say for the record you still are not quite back to the level that this program had in 1966.

Mr. RICHARDSON. That is correct.

The CHAIRMAN. It was cut very severely from approximately fifty three million dollars to thirty one million dollars in the interim. While this is a very, very significant increase you are requesting, if you take

the increased costs of inflation, you are still far from the level it achieved 1966.

Mr. RICHARDSON. Far below what that level was; yes, sir.

INCREASED COMMUNICATIONS EFFORT WITH EASTERN EUROPE

The CHAIRMAN. How much is used for these cultural presentations in Eastern Europe for 1973 compared with 1972?

Are you making any effort to increase, we will call it, penetration of Eastern Europe?

Mr. RICHARDSON. I would use the word "communication."

The CHAIRMAN. I know that is a better word.

Mr. RICHARDSON. We are substantially increasing that effort, Mr. Chairman. In the first place, in the last several years, due to the stringency of financial availabilities, we have concentrated the cultural presentation program almost entirely on Eastern Europe and the Soviet Union on the theory that where other kinds of interchange are very limited that a cultural presentation program is particularly useful in carrying, conveying the spirit and the variety and the richness of our cultural life in this country.

As for the increase for 1973, we are asking $1 million for FY 1973 total, and approximately two-thirds of that will be spent in Eastern Europe.

The CHAIRMAN. Does that include the Soviet Union?

Mr. RICHARDSON. Yes, sir.

SOVIET UNION'S RECEPTION OF PRESENTATIONS

The CHAIRMAN. How has been the reception of the Soviet Union to your presentations? Has it been good, or bad, or how?

Mr. RICHARDSON. It has been extraordinary. I think that is the only answer. The hunger of Soviet audiences for American and, I am sure, other cultural presentations from other parts of the world is very impressive, and their receptivity to first-class American performing artists is superb.

I, myself, watched, a year ago, the opening, the first night, of the Alvin Ailey Dance Troupe in Moscow at a moderate-size theater. That, as you may know, is a modern largely black but integrated American dance group which tends to express primarily the African-American and traditional American theme in the dance with a very modern kind of free expression in the manner of dancing and the choreography. It caused an overwhelming reaction not just in the audience but in the whole community of those who were interested in the dance and ballet in the Soviet Union.

The CHAIRMAN. Which is a large community?

Mr. RICHARDSON. Which is a very large community. And the enthusiasm was very large, and I think the effects are still being felt. The interest in different and varying kinds of dance forms in the Soviet Union and their interest in communicating with us about the developments in dance in this country has been heightened very much by that one series of appearances in the Soviet Union of that one dance troupe. That is the kind of thing one learns to expect from these cultural presentations in the Soviet Union.

POSSIBILITIES OF ADDITIONAL USE OF EXCESS FOREIGN CURRENCIES

The CHARMAN. Have you made any current study of the possibilities of additional use of excess foreign currency in some 10 countries? Do you think you are doing all you can do in that field?

Mr. RICHARDSON. Yes, I am afraid we do think we are doing all we can. The reason, first of all, is a structural reason, appropriations—it is a part of the appropriations structure as it now exists, that excess foreign currencies are appropriated annually, in effect, in dollars in our budget, and this means that in order to maintain a balanced world-wide program we do not wish to utilize additional excess foreign currencies, say, in India, where there is a great deal of excess foreign currency available. Beyond the normal program needs, that must be looked at from the same perspective as we look at programs in other countries.

The CHAIRMAN. I am familiar with that.

You have not overlooked seeing if there are any possibilities in these other countries?

Mr. RICHARDSON. No.

The CHAIRMAN. There are only four countries with substantial excesses and that is the real trouble.

Mr. RICHARDSON. That is correct. We do make special efforts in Poland, Yugoslavia, India, Pakistan, and Egypt.

PERCENTAGE OF FOREIGN STUDENTS UNDER GOVERNMENT AUSPICES

The CHAIRMAN. You mentioned 145,000 foreign students overall. Is that correct?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. What percentage of that is under government auspices of some type?

Mr. RICHARDSON. It is somewhere under 10 percent, Mr. Chairman.

ASSISTANCE OF NON-GOVERNMENTAL STUDENTS

The CHAIRMAN. But you do, as part of your activities, assist these non-governmental students in an effort to improve the quality in the way they are utilized. Is that correct?

Mr. RICHARDSON. Yes, sir, Mr. Chairman. We provide, for example, counseling services abroad for prospective students coming to this country. We provide help in English so that their language will be adequate when they come to this country; we provide help to foreign-student advisers, advisory services in this country to foreign students, so that the foreign-student advisers on the campuses may be as expert as possible.

In a number of other ways, we contribute, we hope, to the better experience of foreign students who are not sponsored by the government in this country.

LETTER FROM U.S. AMBASSADOR IN THE NETHERLANDS

The CHAIRMAN. Before I pass you on to my colleagues, I received a letter from our Ambassador in The Netherlands, about three or four days or a week ago, and I will read one paragraph. He is very interested in this program. He says:

During my tenure as Ambassador here I have often remarked that various tasks of the Embassy are frequently made easier and, indeed, sometimes made possible by the attitude of Dutch officials and influential private persons who have had an exchange experience of some sort in the United States. In my opinion, the unfair portrayals of the United States which one encounters in the popular media cannot in the long-run prevail against any kind of unity which is created by our exchanges. Every grant represents an investment in long-term comprehension.

I thought that might encourage you a bit that what you are doing is a significant contribution.

Mr. RICHARDSON. Yes, sir. It does.

The CHAIRMAN. Not that you have not had similar letter. I have had a great many, but that one coming now from our Ambassador I thought was very significant. Actually, I have had several letters from many ambassadors that it makes their jobs much easier.

CONTRIBUTIONS TO YOUTH COUNCIL

Senator Aiken said he had to go to another meeting. He had received an acknowledgement from Mr. Abshire to his letter inspired by a letter from a representative of the College Young Democrats of America in which the writer, Mr. John Kerr, the President, said his purpose in writing was "to express my views that the Youth Council should not receive such a level of funding; the Youth Council does not adequately represent its member clubs; the Youth Council does not report its two financial accounts to the Department of State; to ask for an investigation of the affairs of the Youth Council and an audit to be required."

Are you familiar with that item?

Mr. RICHARDSON. Yes, sir; Mr. Chairman.

The CHAIRMAN. What do you contribute, and what can you comment about that?

Mr. RICHARDSON. The record of our contributions since 1968 is $75,000 in 1968; $55,000 in 1969; 1970, $50,000; 1971, $75,000, and 1972, $75,000.

The U.S. Youth Council, Mr. Chairman, is the United States affiliate of the World Assembly of Youth and provides a means for us to make sure that American youth organizations are represented in these meetings internationally. We make the contribution for that purpose.

We have looked into it, and we do not believe the complaint is justified. In fact, I believe that since the writing of that letter to a number of Senators, the leadership of the Young College Democrats has changed and the present Young College Democrats do not support the points being made in that letter.

The CHAIRMAN. That is good.

I will put the letter in the record, and if you think there is anything further to be said about the matter, would you prepare it for the record?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. You can put in any additional thing on this subject. Senator Aiken left that with me because he had to leave.

(The information referred to follows:)

DEPARTMENT OF STATE

Washington, D.C. 20520

March 9, 1972

Honorable George D. Aiken
United States Senate
Washington, D.C.

Dear Senator Aiken:

We have received your letter noting comments from a member of the College Young Democrats regarding the United States Youth Council. The author of the letter from which you quoted has written to several other members of Congress in the same vein.

The U.S. Youth Council is the United States affiliate of the World Assembly of Youth (WAY). Through its program efforts, it insures that American young people and the American point of view continue to be represented at international youth meetings.

A decision was made by the Department of State in 1967 to provide partial support of the Council's administrative and program expenses. In Fiscal Year 1971, the Department provided $75,000 and plans to provide up to that amount in Fiscal Year 1972. The Council is required to present each year a financial report on the use of money made available by the Department of State. No funds are provided directly to the College Young Democrats. The U.S. Youth Council also receives funds from community groups, business firms and private individuals.

You can be assured that we consider the allegations quoted in your letter serious and have taken all possible steps to clarify this matter.

I hope this information has been responsive to your inquiry. Please continue to call on us whenever you believe we might be of assistance.

Sincerely yours,

Dave Abshire

David M. Abshire
Assistant Secretary for
Congressional Relations

75-917 O - 72 - 22

February 9, 1972

Mr. David Abshire
Assistant Secretary for
Congressional Relations
Department of State
Washington, D. C. 20520

Dear Dave:

I am in receipt of a letter which in part states the following:

"I write to you as a member of the United States Youth Council. The College Democrats is a constituent organization within the United States Youth Council. To my knowledge, the Youth Council received significant funding from the Department of State.

"It is my belief as a member, that the United States Youth Council is wasting vast sums of tax money in an effort which does not really represent youth and which does not benefit our government."

I would like a report on this matter and would like to know exactly how much funding the State Department has provided the United States Youth Council and for what purpose. Also, how much, if any, funds were provided by the State Department to the College Young Democrats of America, Inc.

Sincerely yours,

GEORGE D. AIKEN

GDA:plt

FEB 9 1972

College Young Democrats of America, Inc.

2600 VIRGINIA AVE., N.W. • WASHINGTON, D.C. 20037 • 202-333-8750

Box 3627
3955 Forbes Ave.
Pittsburgh, Pa.
February 8, 1972

Hon. George Aiken
U.S. Senate
Washington, D.C.

Dear Senator Aiken,

I write to you as a member of the United States Youth Council. The College Democrats is a constituent organization within the United States Youth Council. To my knowledge, the Youth Council received significant funding from the Department of State.

My purpose in writing is: (1) to express my views that the Youth Council should not receive such a level of funding; (2) the Youth Council does not adequately represent its member clubs; (3) the Youth Council does not report its two financial accounts to the Department of State; (4) to ask for an investigation of the affairs of the Youth Council and an audit to be required.

It is my belief as a member, that the United States Youth Council is wasting vast sums of tax money in an effort which does not really represent youth and which does not benefit our government.

Sincerely,

John Kerr

John M. Kerr,
President

UNITED STATES YOUTH COUNCIL (SUPPLIED BY DEPARTMENT OF STATE)

The U.S. Youth Council (USYC) is the United States affiliate of the World Assembly of Youth (WAY), the international youth organization which is the free-world counterpart of the World Federation of Democratic Youth (WFDY). In order to ensure that American young people and the American point of view was represented at international youth meetings, an executive branch decision was made in September 1967 to have the Department of State provide funds to USYC. The Council has received the following grants:

Fiscal year:	
1968	$75,000
1969	55,000
1970	50,000
1971	75,000
1972	75,000

Presently, there are 21 member organizations in the Council representing a broad cross section of American youth organizations such as B'nai B'rith, the YMCA, YWCA, the National Catholic Youth Organizations and the College Young Democratic Clubs of America. The Young Republicans will affiliate this March.

The Department's support to the U.S. Youth Council is intended to provide partial assistance to its administrative and program expenses. The organization also receives funds from community groups, business firms and private individuals. For the year ending December 31, 1971, it had an operating budget of $179,500.

The Council is required to provide each year a financial report on its use of the money made available by the Department of State. In addition, the Department's audit staff conducts audits of recipient organizations on a regularly scheduled basis. The last audit of the U.S. Youth Council was conducted for the period ending October 31, 1969 and the accounts were found to be in order.

The CHAIRMAN. I have some other questions, but I would like my colleagues to have an opportunity to ask some questions if they care to.

Senator SPARKMAN. I will ask a couple of very brief questions about which I have been thinking.

MERGING OF STATE DEPARTMENT AND AID PROGRAMS

Would the Nation be better served if State's educational and exchange program and AID's training program were merged?

Why do we have the two programs separate and apart?

Mr. RICHARDSON. I think it is a very valid question. It is one that we have done some thinking about, Senator.

My own view at present is that I am not persuaded that it would be a good thing. The AID program, the participant-training program, I think, is a highly effective and useful training program which brings a large number of young, mostly college level people here from a few, relatively few, developing countries.

It seems to me to be a well-managed and well-conducted program which provides a very important contribution to our relations with those countries, of a somewhat similar kind to the exchanges that are managed under the cultural affairs program in the State Department. However, the two do not interfere with each other. We are very careful to assure in the countries where AID is operating their program that they do not overlap in any way. So, at the moment I am not persuaded that it would save very much to put them under the same management. But it is a subject that is still under consideration.

Senator SPARKMAN. I have an urgent telephone call.

I had a similar question. I am going to ask the Chairman to propound it to you.

PROGRAMS FOR SCHOOLS AND HOSPITALS ABROAD

The CHAIRMAN. You expect to spend $2,400,000 on American-sponsored elementary and secondary schools abroad. In addition, there is an authorization in the Foreign Assistance Act for $30 million for American schools and hospitals abroad. Why do we have these two programs?

Mr. RICHARDSON. The $2,400,000 is the MECEA shared support for American-sponsored schools. The reason for providing the support from the Bureau of Education and Cultural Affairs is that those schools very directly serve the interests that we are trying to serve. Those are schools where there are significant components of people from that country as well as Americans and other foreigners in those schools.

The money that we provide is very often for scholarships for such young people from those countries; it provides an interaction among very important young people which we think is constructive from the point of view of international communication and, therefore, we are willing to make this kind of contribution to these overall budgets.

The CHAIRMAN. It is fair to perceive for the moment that most of your money is for scholarships for the citizens of the respective areas to those institutions?

Mr. RICHARDSON. No, sir. The major portion of our funds are for teacher salaries and teacher development in these institutions, a smaller amount is provided for educational supplies and equipment.

The CHAIRMAN. In other words, to use an illustration: Your contribution to the American University in Beirut is not to their buildings or to the curricula. It is largely for, I guess, scholarships to those institutions given to students in the area. Is that not correct?

Mr. RICHARDSON. I was not clear in my previous answer. This particular budget item does not directly support the American University in Beirut or the other institutions provided for in that AID account.

The CHAIRMAN. I used that as only an illustration. Is it scholarships to something?

Mr. RICHARDSON. Yes, to elementary and high schools in countries all around the world in which there are American students and there are students from the country, but it is not for the university level.

The CHAIRMAN. This item is not for universities?

Mr. RICHARDSON. No, sir.

The CHAIRMAN. But you do give scholarships to American universities?

Mr. RICHARDSON. Yes, sir, to foreign students who come to the U.S. universities.

The CHAIRMAN. Is that a different item?

Mr. RICHARDSON. We look at all of our planning on the basis of a particular country, say, in the Middle East. The country plan might well include grant awards to individuals to attend American universities.

The CHAIRMAN. That is what I had in mind. That is not this item?

Mr. RICHARDSON. No.

The CHAIRMAN. This is high schools?

Mr. RICHARDSON. That is right.

The CHAIRMAN. This, then, is a relatively recent development, I take it; isn't it?

Mr. RICHARDSON. It is not recent in the sense that the State Department has traditionally helped to support such schools. As an element in the Bureau of Educational and Cultural Affairs budget, it goes back at least to 1964.

The CHAIRMAN. To distinguish it from foreign aid, the $30 million in the Foreign Assistance Act is direct assistance to the school itself and is not a scholarship program. Is that not correct?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. It is quite real in its impact upon the institution; isn't it?

Mr. RICHARDSON. That is correct.

The CHAIRMAN. Senator Church.

ASSISTANCE TO FOREIGN STUDENTS IN UNITED STATES

Senator CHURCH. Of the $52,400,000 you are asking this year for exchange activities, how much of that goes to furnishing money for scholarships for foreign students in the United States?

Mr. RICHARDSON. One moment, and I will have that figure for you. It is about $3.5 million, Senator.

Senator CHURCH. About $3,500,000?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. For what? I did not get that.

Mr. RICHARDSON. That is for foreign students.

Senator CHURCH. Foreign students in the United States for which you are furnishing scholarships?

Mr. RICHARDSON. That is correct. If I may add?

Senator CHURCH. Yes.

Mr. RICHARDSON. Not a scholarship as such. It may be a grant which enables that student to come to this country but not provide him with anything else. The rest of the money might be—

Senator CHURCH. This would be the total amount of financial assistance our government is giving to foreign students who are being educated in universities in this country?

Mr. RICHARDSON. No. This is the amount only that is provided for grants to foreign students, largely graduate students, by the Bureau of Education and Cultural Affairs from this budget we are discussing and does not include the amount that we spend on non-sponsored students, students who come here without government sponsorship but to whom we provide services of one kind or another.

Senator CHURCH. Is it true that 90 percent of the students who are here from foreign lands in our universities are receiving no direct U. S. government support, except services?

Mr. RICHARDSON. Yes, Senator.

Senator CHURCH. If this program were eliminated, is there any reason to think that 90 percent of these foreign students who are now here would not continue to come to the United States for their education?

Mr. RICHARDSON. No, I do not think there is any reason to think that they would not continue to come.

PROGRAM AS INCREMENT SUGGESTED

Senator CHURCH. What we are talking about here, then, is just an additional increment of about 10 percent?

Mr. RICHARDSON. No, sir, Senator. I would not accept that. In the first place, those sponsored by this bureau are much less than 10 percent. Ten percent is the rough figure for the total government-sponsored inflow of students to this country.

The Bureau of Education and Cultural Affairs inflow is less than 2 percent.

Now, in addition, I would suggest that the students who come here under this program are not ordinary students; they are not, in the first place, undergraduate students. They are graduate students, which already makes for a difference. Secondly, they are selected on a competitive basis. They are not people who simply can afford to come here and decide they want to come to the United States; they are selected on a competitive basis, and, therefore, by and large, they are the most outstanding students in their own universities.

Thirdly, they are selected in many countries, by a binational commission which provides for a joint judgment of Americans and nationals of the other country as to the qualities of that student which makes it appropriate to select him to come to this country.

Then, when he comes here he is treated differently. He has a type of program here which provides him with an especially broad and deep experience in this society. So, in many different ways it is not simply an additional number of students; it is very highly selective and carefully programed group.

FINANCIAL CONSIDERATIONS IN SELECTION PROCESS

Senator CHURCH. In that process of selection, do you take students because of their qualifications who might, otherwise, be able to finance their own education in the United States, or are you just taking students who are admirable and outstanding and who lack the means to finance their own education?

Mr. RICHARDSON. We do not apply any regular means test, as such, in the bringing of students here. The fact is that these funds are so scarce, however, and the demand from high quality students is such from all around the world to come to this country that normally the binational commissions of others who select them are very conscious of trying to keep the costs down, and, therefore, as a practical matter, the U.S. Government rarely will have to pay for a student who could pay for himself.

CHARGES OF WELL-TO-DO PEOPLE USING PROGRAM

Senator CHURCH. The reason I asked the question is that I have heard of cases where this program is being latched onto by well-to-do and influential people abroad who have the means, but save their own

money by placing their youngsters into a program of this kind. The United States Government ends up paying for their education.

Mr. RICHARDSON. Well, if that happens that is an aberration, as far as I am concerned.

Senator CHURCH. Do you watch for that carefully in your administration of the program?

Mr. RICHARDSON. Why, indeed, we do, because we are seeking not to. For example, there are some countries—in fact most countries—where the normal student flow to this country comes from—well, the upper classes, because they are the people who can afford to send their young people; therefore, since we are interested in improving communication with that country, our interest is in finding people who will be representative of other groups.

Senator CHURCH. I should think so, and I should think you would have to watch very carefully lest the program be abused and exploited——

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. By people who really ought not to be involved.

Mr. RICHARDSON. Yes, I think that is right.

PERCENTAGE OF FOREIGN STUDENTS WHO REMAIN IN UNITED STATES

Senator CHURCH. Have you ever made any studies as to what percentage of these foreign students who come to this country and are aided in connection with this program stay in the United States and do not go back to their own countries afterwards?

Mr. RICHARDSON. Yes, we keep a current check on that situation. In our own program, the one that we are speaking of, the average runs about one percent. The same percentage holds in U.S. Government programs generally. Among non-sponsored students, of course, the percentage is much higher—approximately 8 percent in FY 1970. The total of those who come under the so-called "J" visa—in effect, a governmentally recognized Exchange Visitor Program—was 50,819 in FY 1970. These persons are either under government or non-government sponsored programs, and their rate of nonreturn is only three percent.

Senator CHURCH. It is very small.

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. That is reassuring.

TWO-YEAR ABSENCE REQUIREMENT FOR PERMANENT VISA

The CHAIRMAN. Could I interject?

If they accept a government-sponsored program, under the law they are not eligible for a permanent visa until they return to their country or leave this country for two years. Is that not so?

Mr. RICHARDSON. That is correct.

The CHAIRMAN. I introduced such a bill and I think it is still the law. In other words, they can't come and stay here. They have to return?

Mr. RICHARDSON. That is correct.

The CHAIRMAN. They have to leave for at least two years?

Mr. RICHARDSON. That is correct.

Senator CHURCH. Before they can come back again?

Mr. RICHARDSON. Yes, sir. The one per cent I referred to is made up of those who get waivers of that requirment and those who come on back after two years or make some other arrangements.

The CHAIRMAN. Some apply to their Congressman and get a special act exempting them.

Mr. RICHARDSON. Yes, they do.

The CHAIRMAN. But they are not supposed to.

IDEA OF IMPROVING COMMUNICATIONS WITH ALL COUNTRIES

Senator CHURCH. In connection with the cultural exchange, you mentioned earlier in your testimony that the idea of this has been to improve communications with all countries and that the kind of government was not a matter of importance. Indeed, the idea was to reach into countries of different kinds of systems, is that right?

Mr. RICHARDSON. That is correct.

Senator CHURCH. And, in fact, the program has special value in those cases, doesn't it?

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. Otherwise, the communication becomes very limited.

Mr. RICHARDSON. Yes, sir.

LACK OF CULTURAL EXCHANGE WITH CUBA

Senator CHURCH. Does that also apply to Cuba?

Mr. RICHARDSON. Not at the present time.

Senator CHURCH. You have no cultural exchange with Cuba?

Mr. RICHARDSON. That is right, sir.

Senator CHURCH. Why not?

Mr. RICHARDSON. There are very few countries in the world where we do not have officially sponsored cultural exchange programs, and Cuba is one, I think out of four or five.

DENIAL OF VISAS TO CUBAN FILM MAKERS

Sennator CHURCH. I noticed the other day that the State Department had denied visas to four Cuban film-makers who wanted to attend a film festival in New York. Are you familiar with that?

Mr. RICHARDSON. No, I do not think I am. A film festival in New York? I remember one in New Orleans.

Senator CHURCH. Do you know why these visas were denied?

Mr. RICHARDSON. Well, under the present arrangements with respect to Cuba, we do not normally admit Cubans.

CUBA IS EXCEPTION TO GENERAL RULE

Senator CHURCH. Cuba, then, is an exception to the general notion it is in our interest to reach into countries of different persuasions and try to improve communication? In other words, the policy is not to improve communications with Cuba?

Mr. RICHARDSON. That is correct. It is an exception to the general rule.

USEFULNESS OF ATTEMPTING CULTURAL EXCHANGE PROGRAM WITH CUBA

Senator CHURCH. Do you think that it would be useful to attempt to establish some kind of cultural exchange program with Cuba?

Mr. RICHARDSON. Yes, sir, I do, as soon as the Organization of American States takes a position which makes it appropriate for us to do so. I am very much in favor of it.

OTHER COUNTRIES IN SAME CATEGORY

Senator CHURCH. Can you tell me what other countries, besides Cuba, are in the same category?

Mr. RICHARDSON. North Vietnam, Albania, North Korea. That is all I can think of at the moment, Senator.

TWO HATS WITNESS WEARS IN STATE DEPARTMENT

Senator CHURCH. Mr. Secretary, are you wearing two hats in the State Department now?

Are you Secretary for Education and Cultural Affairs and also for Public Affairs?

Mr. RICHARDSON. I am Acting Assistant Secretary for Public Affairs, yes, sir.

Senator CHURCH. Public Affairs has to do with matters of domestic concern, does it not?

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. Do you see any conflict between the two?

Mr. RICHARDSON. I do not find any.

Senator CHURCH. Are they entirely different in character?

Mr. RICHARDSON. I think they are related in one way and different in one way.

They are related in the sense that they both have to do with the problem of improving communications.

They are different in the sense that the Bureau of Education and Cultural Affairs has to do with improving communications between societies and countries and the Bureau of Public Affairs has to do with improving communications between the Department of State and the public.

BUREAU OF PUBLIC AFFAIRS PUBLICATION

Senator CHURCH. In your Public Affairs job you print a public affairs magazine that goes out to a rather large circulation, do you not, within the United States?

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. Is that the Public Affairs Journal?

Mr. RICHARDSON. We have the State Department Bulletin.

Senator CHURCH. That is, the State Department Bulletin.

Mr. RICHARDSON. And we have some other publications.

Senator CHURCH. I know the State Department Bulletin comes to me and I read it. All that contains in reality is just a statement of the Administration's policy; isn't that so?

Do you ever put in that public publication: "Here is a speech that the Secretary of State made as to why we should have a much larger foreign-aid program and here is a speech that Senator Fulbright made

as to why we should not have a much larger program."? For the general education of the people, both sides ought to be presented.

Mr. RICHARDSON. No, sir, we do not. I agree that——

Senator CHURCH. I have never seen anything like that.

Mr. RICHARDSON. I understand the purport of your question.

We do not, because even though that would be educational—and certainly it would be broadly educational—the purpose of these publications is simply to provide one a record of the official foreign policy actions and expressions of the Government through the Executive Branch, and, secondly, to go further and provide some further background.

Now, we do have other publications that do attempt in a broad way to provide some sense of what the issues are in foreign relations.

Senator CHURCH. I would like to see some of those. The critics of State Department policy very seldom get in anything but a footnote. I have never seen any real exposition of any viewpoint other than the Department's or a departmental viewpoint on these questions.

If you have some publications that really do undertake to present counterarguments, I would like to see them.

Mr. RICHARDSON. Yes, sir, we will be glad to provide those.

(The information referred to was supplied directly to Senator Church.)

Senator CHURCH. I know the Foreign Service has a journal—

Mr. RICHARDSON. Yes, sir.

Senator CHURCH. —where individual members of the Foreign Service—diplomats—will sometimes contribute a personal article and their viewpoints will at times vary from that of the Department or the official policy.

Mr. RICHARDSON. Yes, sir. I think I understand your point.

I think that our view has been that if one really tried to provide a full range of contrary views, contrary to the views of the President and the Secretary of State, in these official publications, one would be in a different situation of trying to select whose statements to cite, and so forth.

Senator CHURCH. I understand there are problems concerned with it, but how much does this cost?

PURPOSE OF PUBLICATIONS

It is really, if one takes the nasty connotation off the work "propaganda," a kind of a propaganda effort. It presents the official doctrine of the State Department for purposes of circulating it, gaining general acceptance of it, and furthering it, isn't that true?

Mr. RICHARDSON. The purpose is, certainly, to furnish and explain the views of the President and the Secretary of State and the Department of State.

COST OF PUBLICATIONS

Senator CHURCH. How much is that costing the American people?

Mr. RICHARDSON. The Bulletin?

Senator CHURCH. The whole effort that is put into these publications.

Mr. RICHARDSON. One moment.

ACTIVITY NOT INVOLVED IN BUDGET UNDER DISCUSSION

The CHAIRMAN. While he is doing that I want to say for the record that this activity is not involved in the budget we have been discussing.

Senator CHURCH. This is the other hat.

The CHAIRMAN. This is his other hat. I wanted the record to make it clear, so that people who do not understand that do not get mixed up. This is domestic. This is domestic, like RFE or RL.

Senator CHURCH. We know the Pentagon is spending a very large amount of money about which we have not ever been able to get a full accounting. It is at least $35 million.

The CHAIRMAN. It is more than that, much more than that.

Senator CHURCH. Yes, it is more than that. But they are spending a great deal of money just publishing all kinds of magazines and periodicals, and circulating them all over the country to mobilize public support for military spending.

SPENDING FOR PUBLIC AFFAIRS PUBLICATIONS

How much are you spending?

Mr. RICHARDSON. I believe you will be relieved by——

Senator CHURCH. I expect that yours is small compared to the military.

Mr. RICHARDSON. The relatively modest cost for printing and reproduction of all of these publications put out by the Bureau of Public Affairs in 1972 is $348,600.

(The following additional information was subsequently supplied:)

PRINTING AND REPRODUCTION COSTS OF BUREAU OF PUBLIC AFFAIRS

(Supplied by Department of State)

The relatively modest cost we have budgeted in FY 1972 for printing and reproduction of all publications put out by the Bureau of Public Affairs is $348,600. This includes $120,500 for the "Foreign Relations" volumes and $84,000 for the weekly "Department of State Bulletin", which is used for internal as well as external purposes and which returns most of its cost to the Treasury through subscription sales by the Superintendent of Documents. The amount budgeted for pamphlets is only $144,000.

Senator CHURCH. That is very modest. That is so modest I will not pursue the question.

I would like to get back to the budget on which you are testifying.

Mr. RICHARDSON. Yes, sir.

DOES BUREAU HAVE "REVERSE LEADER-GRANT" PROGRAM?

Senator CHURCH. I generally favored this whole program, as the Chairman has, but I would like to know just how far this extends. I understand the student-exchange program, the scholarship program, the leader-grant program, and so on, but to what extent, if any, do you undertake to subsidize trips abroad for American citizens?

I am not talking about American students who go abroad to study. I am talking about a kind of reverse leader-grant where American leaders and opinion molders are sent out to be shown the glories of the foreign aid programs in such and such a country, or what the

State Department has managed to accomplish in Turkey. A person is shown around Istanbul and then goes back to his community to tell his people what a fine job is being done.

Because of my experience with the military, I want to find out if you are doing anything like that.

Mr. RICHARDSON. I do not recognize that description at all.

Senator CHURCH. Every year in my State, leading citizens are invited to go out with the Navy to the Pacific. They go on aircraft carriers, and they are really given the treatment. They come back—and I guess there are thousands of citizens and it is all at the Navy's expense or the Army's or the Air Force's—and say, "We need bigger and better aircraft carriers." And they give the word through the local press. This is a very expensive program. It has been very effective and the military spends public money to obtain more public money.

Do you have anything in the State Department in programs abroad that relates to what the military does?

Mr. RICHARDSON. None that relates to the activities of the State Department and its program abroad. We do have a program which does select and send overseas individuals, individual Americans. The purpose, again, is communication. The individual is selected because he is perhaps an outstanding professor of sociology or outstanding performing artist or outstanding sports figure, and he goes to a specific number of countries where there are programs prepared for his participation in meetings, and discussions and lectures with specific audiences, and that is the only thing that comes anywhere near your description.

Senator CHURCH. That is quite a different thing.

Mr. RICHARDSON. It is very small.

Senator CHURCH. He travels abroad to perform in his professional capacity?

Mr. RICHARDSON. Yes. And last year that was only 102 people.

Senator CHURCH. Your answers have been reassuring to me, Mr. Richardson, and I appreciate that very much.

That is all, Mr. Chairman.

Mr. RICHARDSON. Thank you, Senator.

BREAKDOWN ON QUESTION OF DOMESTIC PROPAGANDA PROGRAM REQUESTED

The CHAIRMAN. For the record, since the matter has been raised, you gave the figure for the printed propaganda, I assume, of $348,000. I do not wish to pursue it at this time, but would you prepare for the record a kind of breakdown overall on this question of the domestic propaganda program?

I had not thought to bring that up; I am glad the Senator from Idaho did.

It will save us time perhaps in the future if you will give us a summary.

While I was not anticipating that would be brought up, I am glad it was. You can put it in the record later. I do not want to take the time to go into it right now.

Mr. RICHARDSON. Yes, sir, I will be very glad to supply that for the record.

The CHAIRMAN. Not only that activity but what else you do in that, simply for our information. I had overlooked that aspect of your activities.

Mr. RICHARDSON. Yes, sir.

COST OF ASSISTANCE TO FOREIGN STUDENTS IN UNITED STATES

The CHAIRMAN. I want to return to the first question the Senator from Idaho asked you a moment ago about students. You gave the figure, I believe, of $3 million and something. That was only students. That did not include teachers and leader-grants and specialists. Did it?

Mr. RICHARDSON. No, sir; it didn't. And I regret to say that I gave the wrong answer, if I may correct it, in terms of dollars.

The CHAIRMAN. I thought it was too small.

Mr. RICHARDSON. I thought so, too.

The CHAIRMAN. I have a figure of $5.5 million.

Mr. RICHARDSON. That is the figure I have now, Mr. Chairman, for fiscal year 1971.

COST OF ALL CATEGORIES BUREAU SPONSORS

The CHAIRMAN. I hate to interrupt my colleagues, but I thought the record ought to be corrected. In order for us to be sure we have it, would you put in the record there the costs of all of these categories which you sponsor and not what everybody sponsors.

Mr. RICHARDSON. Those whom we sponsor coming to this country are as follows:

Students—I just gave the figure, Mr. Chairman, $5,542,000;

Professors and research scholars, $1,611,000;

Teachers, $1,092,000;

Leaders, $5,449,000.

We have another category that we still call "Specialists," although it is a little outdated, $1,358,000.

And Educational Travel, $676,000.

The total directly sponsored incoming flow of individuals under this program, $15,731,000.

The CHAIRMAN. Incoming. That is coming to this country?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. I think that whole table, including the numbers in each category, should be put in.

I have the table here.

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. To keep it straight.

(The information referred to follows:)

STATE DEPARTMENT-SPONSORED GRANTEES TO UNITED STATES, FISCAL YEAR 1971

Program	Number	Amount
Students	2,011	$5,542,042
Professors and research scholars	488	1,611,477
Teachers	358	1,092,634
Leaders	1,107	5,449,418
Specialists	411	1,358,431
Educational travel	317	676,897
Total	4,692	$15,730,899

GRANTS BY CATEGORIES, FISCAL YEARS 1971, 1972 AND 1973

	Africa			American Republics			Western Europe			Eastern Europe			East Asia			Near East and South Asia			Total		
	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973
Students, foreign	261	179	223	306	261	282	747	682	714	79	96	110	224	233	304	394	297	347	2,011	1,748	1,980
Students, United States		5		31	30	40	221	205	218	63	66	80	26	26	33	22	38	57	363	370	428
Teachers, foreign	8	13	18	179	149	155	93	98	111	27	28	40	29	20	23	22	19	19	358	327	366
Teachers, United States	1		2				97	75	75	22	22	33	33	21	19	9	10	8	162	128	137
Professors and research scholars, Foreign	2	3	10	72	74	98	207	204	224	94	66	84	56	53	64	57	68	63	488	468	543
Professors, research scholars and lecturers, United States	54	72	87	117	126	141	173	196	239	83	123	192	116	120	163	96	115	159	639	752	981
International visitors:																					
Observation and consultation:																					
Individual, foreign	280	373	484	306	326	271	151	167	231	30	90	190	206	254	368	82	113	149	1,055	1,323	1,693
Multinational, foreign	5			15	14	24	11	2		3	3	8	17	32	65	1	80	80	52	131	177
Specialized programs:																					
Individual, foreign	95	83	110	42	20	70	8	18	20	16	34	37	4	4	2	36	24	10	201	183	249
Multinational, foreign	52	49	47	30	30	34	26	22	22	17	18	12	34	36	35	51	56	75	210	211	225
Jointly sponsored foreign						2											2	2		2	4
Educational travel, foreign	176	160	218	95	180	243	18	10	12				28	60	42		1	24	317	411	539
Educational travel, United States				8	4	4								8			27		8	39	4
Total, foreign	879	860	1,110	1,045	1,054	1,179	1,261	1,203	1,334	266	335	481	598	692	903	643	660	769	4,692	4,804	5,776
Total, United States	55	77	89	156	160	185	491	476	532	168	211	305	175	175	215	127	190	224	1,172	1,289	1,550
Grand total	934	937	1,199	1,201	1,214	1,364	1,752	1,679	1,866	434	546	786	773	867	1,118	770	850	993	5,864	6,093	7,326

Note: Exchange of persons gross funding (excludes assistance to high school exchanges and special programs for nongrant students) Fiscal year 1971, $27,093,046; fiscal year 1972, $29,537,492; fiscal year 1973, $39,434,492.

The CHAIRMAN. This program, because of its complexity in dealing with people, is not easy for people to understand. I mean it is very complex.

DISTINCTION BETWEEN AID AND BUREAU PROGRAMS

There is one other point. You refer to the AID program. I am not sure you have the amount, and I wanted to distinguish it.

In the first place, it is purely an American program. I mean the selection and everything about it is American adminstered; is that not correct?

Mr. RICHARDSON. I am not as familiar with it as I should be, sir. I do not know whether that is true or not.

The CHAIRMAN. The point I am making is that they do not have binational commissions in which the other countries participate in either the determination of the program or the selection of the people; do they?

Mr. RICHARDSON. That is correct, there are no binational commissions.

The CHAIRMAN. Isn't one of the most significant parts of this program that you administer, the participation of the other countries involved in the formulation of the program and selection of the people?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. Isn't that one of the reasons it has been as well received as it has?

Mr. RICHARDSON. Yes, sir; that is one of the reasons why I think almost 20 countries contribute to the program and why, in some 50 countries, we do manage it in this way.

The CHAIRMAN. It is similar to the military program in which they bring very large numbers of military people for indoctrination into this country. Is that not so?

Mr. RICHARDSON. The AID program——

The CHAIRMAN. Training and indoctrination.

Mr. RICHARDSON. The AID program has some similarities to the military program.

MILITARY TRAINING PROGRAM

The CHAIRMAN. The military sustains a very large training program in which they bring promising young officers or soldiers of all of the countries where we have military assistance programs to this country for training. Is that not so?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. It is not much larger than this civilian program, in dollars?

The last I heard it was in the neighborhood of $75 million.

That was a year or two ago. I do not know what it is currently.

Mr. RICHARDSON. I would doubt, Mr. Chairman, if it was that much in bringing people to this country. I had the impression it was more like $15 million, but I do not have the figures.

The CHAIRMAN. If you can get them, for my curiosity and for the record, I think it is good to have a balance.

(As of the date of publication the information had not been supplied.)

I think this figure is for some year I looked into it, but I think it is much larger than $15 million, unless they have brought it down substantially. They have brought, for years, hundreds of military people from Latin America and from pretty near any place from which they are willing to come. Many of our students are the present leaders of these countries. I have always believed that actually this would be the reason we have such a weakness for military dictatorships, because we have trained a lot of them. Mr. Trujillo was one of our products. Didn't he learn the trade in our Army?

Mr. RICHARDSON. I do not know, sir.

The CHAIRMAN. Mr. Richardson, this has been widely publicized. You may not know it, of your own knowledge, but it has been in the papers.

GENUINE INDEPENDENCE OF CULTURAL EXCHANGE PROGRAM

Of course, there are other programs, but this program that you administer is a binational program, and it has never been identified successfully with a propaganda program. It is not considered a part of the USIA program. It is as near being a genuinely independent cultural exchange program as anybody has succeeded in developing; is it not?

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. Isn't that its reputation?

Mr. RICHARDSON. I think it is.

The CHAIRMAN. If we can't preserve that characteristic, then, as the Senator from Idaho said, it is only 10 percent on top of the others and there is no excuse for continuing it.

Mr. RICHARDSON. I think we are preserving it.

The CHAIRMAN. If that character is not preserved, then I would say there isn't an excuse for it. It is the very nature of it and it is because of its impact and reputation and acceptance in foreign countries that its existence is justified?

Mr. RICHARDSON. Yes, sir.

COMPETITION AMONG APPLICANTS

The CHAIRMAN. In most of these countries there is great competition; is that not correct?

Mr. RICHARDSON. Yes, sir; that is correct.

The CHAIRMAN. Could you give for the record an estimate of the number of applicants compared to the number of places? Give us one or two examples for the record. Do you know how many, for example, in this country or say in a country like Japan or Germany?

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Mr. RICHARDSON. I do not have figures for applicants, Mr. Chairman. The methods vary so from place to place that we have not put together figures for that, but we could get some examples of that kind.

(The information referred to follows:)

ACADEMIC APPLICANTS FOR 1971–72 GRANTS (SUPPLIED BY THE DEPARTMENT OF STATE)

NUMBER OF APPLICATIONS IN ACADEMIC CATEGORIES APPLYING FOR 1971–72 GRANTS

Category	Applications	Awards
United States:		
Lecturers/research scholars	1,783	537
Students	2,196	363
Teachers	1,985	162
India:		
Lecturers/research scholars	69	29
Students	237	55
Teachers	426	20
France:		
Lecturers/research scholars	63	33
Students	621	200
Teachers	47	15
Japan (1970–71 academic year):		
Lecturers/research scholars	76	6
Scholars	76	6
Students	261	28

The CHAIRMAN. I have seen in the past in some of the countries' reports those figures. For example, in the old days, I used to be able to follow it much more carefully in the annual reports of the Commission of Great Britain. It would give the number of applicants and the names of the places from which they would come to the United States. It used to run around 10 or 15 to 1.

Mr. RICHARDSON. They do run very high, particularly—well, in the developing part of the world even more so; the ratio is very high. I do not have the figures, but I will supply them for the record.

I do have in front of me one element, in answer to the question with regard to the United States applications of teachers, those teachers that we sent abroad. We have about 2,000 applicants per year, and in the present FY 71, we took 162.

The CHAIRMAN. That is the type of thing. I have seen similar figures.

Mr. RICHARDSON. Yes, sir.

The CHAIRMAN. In Japan, I remember it used to be an enormous number of applicants for the relatively small number of places to be given.

I do not believe this is in the record.

FOREIGNERS BROUGHT TO U.S. BY AID AND MECEA

For the record, I want to say that through October, 1972, the Agency for International Development and its predecessor agencies have brought a total of 123,874 foreigners to the United States for training since 1944. They estimated that 4,828 would be brought here during the current fiscal year.

I would like you to supply for the record your cumulative totals to make a comparison.

Mr. RICHARDSON. Yes, I understand.

(The information referred to follows:)

NUMBER OF FOREIGN GRANTEES BROUGHT TO U.S. UNDER MECEA PROGRAM, 1949–1971 (SUPPLIED BY DEPARTMENT OF STATE)

The number of foreign grantees brought to the United States under the MECEA program from 1949 through 1971 was 102,387.

AID TRAINING PROGRAM

The CHAIRMAN. That program, of course, is under the sole direction of AID. They bring the people here for their purposes, they having different and special purposes as I understand it. For example, they brought a very large number out of Vietnam to train them for specific duties to be performed in Vietnam when they go back.

Mr. RICHARDSON. I think, with respect to all of the developing countries where they operate, they are, in effect, helping to train key people in different sectors of their economy and society.

The CHAIRMAN. It could hardly be called comparable to what we just described as a cultural exchange program.

Mr. RICHARDSON. No. I think it is quite different.

The CHAIRMAN. There is no exchange to it, as far as I know. We do not, under that program, nor does AID, send Americans to Vietnam to learn anything and bring them back here, do we, as far as you know? I do not know. I think that is correct.

Mr. RICHARDSON. I am not aware of it.

The CHAIRMAN. I am not aware of it, if they do.

COMMENDATION OF WITNESS

I think at the moment those are all the questions. As I said, admitting my bias for this program, I am very pleased with the way you have administered it, and especially the success you have had up to now in restoring the program back to somewhat near the status it had before the impact of the war decreased it so severely and restricted it.

I heard, about three or four years ago, that if it could not be restored some of the major countries thought it was so small it was hardly worth their while to maintain the organization to administer it, but I hope they have not——

INACTIVE AND ACTIVE BILATERAL AGREEMENTS

I was going to ask you: How many of the bilateral agreements we have negotiated are now inactive and how many are active?

Mr. RICHARDSON. I think there are 47 active agreements.

The CHAIRMAN. Forty-seven active?

Mr. RICHARDSON. Mr. Chairman—and two or three inactive.

The CHAIRMAN. Could you say for the record which are inactive?

Mr. RICHARDSON. Egypt, Ethiopia, Tunisia, I believe—let me check that. Ghana is another one.

The CHAIRMAN. Egypt, Ethiopia, Ghana, and Tunisia?

Mr. RICHARDSON. Yes, sir. I would like to check that. I am relying on my memory and I am not certain.

The CHAIRMAN. You can supply that for the record.

Mr. RICHARDSON. Right, sir.

(The information referred to follows:)

ACTIVE AND INACTIVE BINATIONAL COMMISSIONS (SUPPLIED BY DEPARTMENT OF STATE)

Of the 50 bilateral agreements currently on record, 43 have active binational commissions. Inactive at present are Iraq, Union of South Africa, Tunisia, Ethiopia, Ghana, Burma and Egypt.

The CHAIRMAN. Of course, the reason for Egypt, I guess is obvious. We have no diplomatic relations with Egypt at the present time.

Mr. RICHARDSON. Yes, we do have some exchange relationships, however, but not through a binational commission.

The CHAIRMAN. Are you still able to give scholarships to the University in Cairo?

Mr. RICHARDSON. Yes, sir. we do.

The CHAIRMAN. I hope that you do. I am sorry about the interruption. They used to think very well of that program in Egypt before our difficulty with them. There was a time when they did.

Mr. RICHARDSON. I think its reputation is still very good and I hope we can resume that program.

The CHAIRMAN. Yes, I hope so, too.

QUESTIONS FOR THE RECORD

I will ask you, as I have the others, that the staff be allowed to submit some further questions which you can answer for the record to complete it if we have overlooked some items.

The CHAIRMAN. Again, I thank you. It has been a very, very useful hearing, and I am very pleased at the way the exercise of the authorization carried in the last bill is working out.

We are all getting, I think, a better feel of the operations of the State Department, and I think it has been a very successful meeting.

Do you have anything further you would like to add?

Mr. RICHARDSON. No, thank you, Mr. Chairman.

The CHAIRMAN. I thank you very much.

Mr. RICHARDSON. Thank you, sir.

The CHAIRMAN. The meeting time this afternoon has been changed from 2:30 to 3 o'clock, for the information of anyone who is interested.

We have a conflict.

(Whereupon, at 12:15 p.m., a recess was taken until 2:30 p.m., this same day.)

(Additional questions and answers follow:)

QUESTIONS SUBMITTED TO MR. RICHARDSON,
ASSISTANT SECRETARY FOR EDUCATIONAL AND CULTURAL AFFAIRS,
BY THE CHAIRMAN FOR THE RECORD

1. QUESTION: What is the coordinating process between government agencies involved in international exchange programs? Do you think there should be more centralized control and coordination of programs in the field of educational and cultural exchange?

ANSWER: The need to coordinate more effectively the international exchange programs dispersed through approximately 18 agencies of government has been a matter of continuing concern for the Bureau of Educational and Cultural Affairs. Section 6 of Executive Order 11034 of June 25, 1962 gave the Secretary of State primary responsibility for Government-wide leadership and policy guidance with regard to international educational and cultural affairs. This led to the establishment of The Council on International Educational and Cultural Affairs chaired by the Assistant Secretary for Educational and Cultural Affairs. The Council has attempted to act as a common channel for the development of broad policies, to insure and stimulate communication and exchange of information among Government agencies. The Council has not, however, adequately achieved its purposes, and lacks the authority necessary to provide for a review of exchange policies and programs.

The Department now has under consideration several optional ways to obtain better systematic coordination of all Government programs that expose large numbers of foreign nationals to the United States and send Americans overseas. These options would require no further centralized control, but would lead to better coordination based on improved sharing of information among agencies and joint study of issues involving several agencies. Further, emphasis would be placed on a continuing review of the relationship of Americans with professional, educational, technical, political, cultural and similar groups in other societies to assure that all programs are in reasonable balance. Agency managers would be made aware of issues that are now overlooked, a process that should facilitate the initiation of new programs or restructuring of old ones to the benefit of the total Government. This work will be undertaken without interfering with the legislative objectives of the other programs.

2. QUESTION: How does the percentage of the total we spent on educational exchanges relative to the total amount spent on foreign relations matters compare with that for other major countries -- France, Germany, and the Soviet Union, for example? How much emphasis do other major countries place on educational and cultural exchanges?

ANSWER: Compatible figures for educational exchange activities as a percent of total foreign relations budgets for other major nations are not presently available. We will undertake to obtain these figures and to provide comparative data on amounts expended for exchange activities.

3. QUESTION: Would you supply a list of the countries where binational commissions are in operation? What contribution do they make to the educational and cultural exchange program?

ANSWER: AFRICA: Liberia

AMERICAN REPUBLICS: Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay

WESTERN EUROPE: Austria, Belgium/Luxembourg, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, United Kingdom

EASTERN EUROPE: Yugoslavia

EAST ASIA: Australia, China, Japan, Korea, Malaysia, New Zealand, Philippines, Thailand

NEAR EAST: Afghanistan, Ceylon, Cyprus, Greece, India, Iran, Israel, Nepal, Pakistan, Turkey

Binational commissions constitute tangible evidence of mutual respect and responsibility between Americans and foreign nationals. Since the principle of binational consultation and cooperation is fundamental to the success of our exchanges, the commissions are one of the most important features of the U.S. Government's effort to maintain and strengthen educational and cultural relations with other countries.

Among the specific contributions of the binational commission in the conduct of educational and cultural exchange programs are:

1. Its effectiveness as a long-term mechanism to encourage joint planning, supervision, and administration of a mutually determined program.

2. Its ability to draw into the program's administration abroad a range of distinguished talent on the Commission membership and in opening channels abroad not otherwise readily available.

3. Its value in upholding the integrity and high quality of the selection process abroad for program participants by maintaining a binational selection mechanism of worldwide acceptance and reputation.

4. QUESTION: What has been the annual funding level for the educational and cultural exchange program for the last ten years?

ANSWER:

1962	$27,000	1967	$47,000
1963	$41,950	1968	$43,763
1964	$42,625	1969	$31,425
1965	$45,000	1970	$32,299
1966	$53,000	1971	$37,176

(in thousands of dollars)

5. QUESTION: Has consideration been given to having sports organizations finance the travel of sport groups in order to send more U.S. athletes abroad?

ANSWER: The Bureau is working hard to stimulate increased participation by sports groups in international activities. To this end, we are in close contact with over 35 national sports organizations and numerous other sport groups. An officer of the Bureau chairs the Interagency Working Group on International Athletics, the purpose of which is to coordinate government agencies' efforts in support of international athletic programs including cooperative efforts with private organizations.

Many private organizations already have a substantial commitment to international sports activities. The U.S. Olympic Committee, supported by private contributions, is the largest such group, which is expected to raise in excess of $10 million to support our Olympic effort. The Amateur Athletic Union sends several thousand athletes and officials abroad annually. Other privately funded groups include the U.S. Collegiate Sports Council, and the People-to-People Sports Committee. The Bureau proposes to continue using

its own funds to assist in making contacts with those regions of the world, particularly the less-developed ones, where there are few privately sponsored sports programs, while encouraging and facilitating greater activity by the multitude of private organizations.

6. QUESTION (a): What control does your office have over the East-West Center at the University of Hawaii -- for which $6,800,000 is being asked for Fiscal 1973?

ANSWER: There is a direct and close working relationship between the East-West Center and the Department of State. The Center is administered under a grant agreement between the Department of State and the University of Hawaii. Each year the Center's proposed budget is thoroughly reviewed by the Department before submission to Congress. In addition, the programs of the Center are reviewed by the National Review Board, a group of private citizens appointed by the Secretary of State who assist in creating a greater national presence in the operation of the Center.

QUESTION (b): Is the Center's educational grant program coordinated with regular State programs? How?

ANSWER: There is coordination between the programs of the East-West Center and those of the Department. The Bureau of Educational and Cultural Affairs' Office of East Asian Programs plans the regular MECEA projects in that region in relation to the activities of the East-West Center, so there is program reinforcement rather than duplication. Although final selection of participants in East-West Center activities is made by the Center's administration, the Binational Commissions, or in their absence, the Cultural Affairs Officers, do participate in the nomination process for foreign grantees, thus ensuring coordination with the Department's exchange programs under the Fulbright-Hays Act. The Chancellor of the Center is in frequent contact with the Department to review plans and budgets, and officers of the Department visit the Center.

QUESTION (c): The budget tabulation shows that $2,856,400 is to be spent for operating expenses and $3,943,600 for scholarships and grants. What is the explanation for such a high ratio of operating expenses?

ANSWER: The Center's FY 1973 budget of $6,800,000 provides for $5,616,868 of that total to be applied to Education,

Research and Training Programs and the balance of $1,183,132 for Program Direction, Administration and Institutional Support Services. This distribution presents a more realistic classification of program costs in relation to administrative or operating costs.

The budget tabulation on object classes does show a general distribution of $2,856,400 for operating costs and $3,943,600 for scholarships and grants. However, this former definition of operating costs included the salaries of faculty and other program staff who worked directly with the grantee participants. These staff employees are an integral part of the programs and the cost of these positions is therefore included under the category of Education, Research and Training Programs in the distribution described in the preceding paragraph.

QUESTION (d): What is the difference between this program and the regular State exchange program, or the AID training program?

ANSWER: The East-West Center is a unique educational institution designed to bring together scholars from Asia and the Pacific Area and the United States at various levels to pursue problems of common interest both to the foreign and American participants. The major program areas of the Center -- population, culture learning, technology and development, and food -- may include fields studied by participants in the programs of the Agency for International Development and the State Department's educational and cultural activities. But the Center's programs are designed to provide its grantees with a learning experience built around multinational communication and cooperation.

QUESTION (e): When was the last time your office made a study of the cost effectiveness of this operation? Would you provide the report to the Committee?

ANSWER: The Bureau has not made a cost effectiveness study of the Center. However, in 1969 the General Accounting Office made a complete study of the Center's operations and published a report of its findings ~~(copy attached)~~ with three major recommendations. These included: defining more fully in the grant agreement the precise role of the University of Hawaii in the administration of the Center; developing a land use plan for future Center building requirements; and taking steps to ensure adequate evaluations of the Center's effectiveness. (The 1969 GAO Study is in the Committee file.)

The first two recommendations have been implemented. In response to the third, the Center has improved student selection techniques and reorganized its activities into specific "problem-oriented" programs. In the FY 1973 budget, funds are requested to strengthen the program direction of the Center to be used primarily for more systematic evaluation of the Center's activities.

QUESTION (f): How many Americans are on the staff of the Center? How many foreigners? How many are members of the faculty and how many work in administrative positions?

ANSWER: Of a total 100 positions covered by the current authorization, 90 are filled by Americans and 10 by foreigners.

The following table shows the present fiscal year distribution of the Center staff engaged in Education and Training Programs and those engaged in Program Direction and Administrative Services:

Program Direction	7
Education, Research and Training Programs	48*
Administrative and Institutional Support Services	45
Total	100

(*This figure does not include 38 faculty positions in the Communications and Population Institutes which are supported by an Agency for International Development grant.)

QUESTION (g): Does the Center grant degrees? How many and what kind of degrees were granted in the last year?

ANSWER: The East-West Center grantees receive their degrees from the University of Hawaii. The number of Center students receiving degrees from the University last year by category was as follows:

Doctorates	18
Masters	144
Bachelors	15
Total	177

Last year the Center also awarded Certificates to about 1300 mid-career professionals in such fields as Public Administration, Educational Administration, Economics and Public Health. These students came to the Center for two to four months advanced study in the various institutes without entering a degree program.

QUESTION (h): What is the average pay for each professional level for the faculty?

ANSWER: The average salary for Center faculty positions during the current year is $15,114.

QUESTION (i): What is the cost of the Center per grantee/year? How many new grantees will be brought in in FY 1973 and what is the average duration of their stay? What are the typical benefits provided a grantee?

ANSWER: The average cost per grantee is approximately $5,560 for degree students, $922 for professional study and training participants and $11,000 for senior fellows. In Fiscal Year 1973 the Center proposes to award 233 degree grants, 780 professional study and training grants, and 56 senior fellow grants.

The average length of stay of Center grantees is approximately as follows:

Doctoral candidates	36 months
Masters degree students	24 months
Bachelor degree students	48 months
Professional study and Training Institute students	8 weeks
Senior Fellows	6 months

The following benefits are provided for degree and professional study and training grantees: (Senior Fellows are expected to pay all expenses from their grant except for initial and terminal travel which is provided by the Center.)

1. Full cost of University tuition, fees and books, including preparation of thesis.

2. Initial travel to East-West Center and return.

3. Room and board in East-West Center dormitories for single students; an allowance for off-campus living expenses for married students.

4. Full cost of field study.

5. Health insurance for grantees and their dependents.

QUESTIONS SUBMITTED TO MR. RICHARDSON,
ASSISTANT SECRETARY FOR EDUCATIONAL AND CULTURAL AFFAIRS,
BY SENATOR SYMINGTON

Senator Symington. In terms of numbers of people, how many international visitors do we fund compared to full-time students and professors?

Mr. Richardson. In fiscal year 1971 we issued 1,835 grants to foreign international visitors, as compared to 2,011 grants to foreign students, and 488 grants to foreign professors and research scholars.

Senator Symington. How many cabinet ministers and other high officials were visitors to the U.S. last year? Is a U.S. visit considered to be a prerogative of office?

Mr. Richardson. Only 52 of the 1,835 foreign international visitor grants in FY 1971 were for cabinet ministers and other high officials. The Bureau attempts to identify potential leaders at an early stage and bring them to the U.S. as international visitors. However, in the case of newly developing countries, where early identification of leaders is not always possible, some high officials with limited knowledge of our society are brought to the U.S. after they are in office. Of the 52 officials given grants, 21 were from countries in Africa, 10 from the Middle East, 14 from East Asia, 4 from Eastern Europe and 3 from Latin America. We do not award grants to any official whose purpose in coming is to transact official business with our government.

ANSWERS TO QUESTIONS SUBMITTED TO
JOHN RICHARDSON, JR.
ACTING ASSISTANT SECRETARY FOR PUBLIC AFFAIRS
BY THE CHAIRMAN FOR THE RECORD

1. QUESTION: How does the budget for the activities of your office, and the number of people involved, compare with the totals of ten years ago?

ANSWER: Comparison of positions, salaries and operating funds in FY 1962 with FY 1972 is as follows:

	FY 1962		FY 1972 Est.	
Positions and Salaries*:	147	$1,300,175	116	$2,087,400
Operating Funds:		328,233		796,400
Total:		$1,628,408		$2,883,800

(*Increase in salary costs is due mainly to the effect of various pay increases passed by the Congress)

2. QUESTION: How many "backgrounder" news conferences were held by Department officials in 1971? Would you be willing to furnish the Committee with transcripts of any of these news conferences upon request?

ANSWER: News conferences are not under the jurisdiction of the Bureau of Public Affairs. The Office of Press Relations informs us that it has held 20 backgrounders in addition to the regular noon briefings. In accordance with established practice, requests for specific transcripts will be considered under existing procedures governing the use of "background" material.

3. QUESTION: With reference to publications issued by your office, please provide information concerning:

(a) the numbers of news releases issued in the last year;

ANSWER: This is not under the jurisdiction of the Bureau of Public Affairs. The Office of Press Relations reports that 414 news releases were issued last year.

QUESTION: (b) a list of other types of informational material issued;

ANSWER:

Department of State Bulletin (weekly)
Background Notes on the Countries of the World
Current Foreign Policy Series
Issues in United States Foreign Policy Series
International Organizations Series
Secretary's speeches
President's speeches
Miscellaneous general publications on foreign policy, such as The Great Seal, Your Department of State, United Nations, etc.

QUESTION: (c) the total costs of preparing and printing all publications of your office;

FY 1971 costs totaled $389,769 as follows:

Department of State Bulletin:		$137,660
(Personnel, 2-1/2 m.y.,	$ 32,244;	
Printing	82,875;	
Technical editing	22,541)	
All other general publications listed under (b) above;		$252,109
(Personnel, 7-1/2 m.y.,	$104,582;	
Printing	135,146;	
Technical editing,	12,381)	

QUESTION: (d) the total cost of preparing and printing the Secretary of State's recent annual report; and,

ANSWER: Estimated costs in FY 1972 against funds allocated to the Bureau of Public Affairs for the preparation and printing of the Secretary's recent annual report, "United States Foreign Policy, 1971":

Printing costs at GPO:	$ 44,000*
Technical editing costs:	7,561
Personnel costs:	1,838**
	$ 53,399

*It will be some weeks before final costs are received from the GPO.

**Does not include salary costs for time spent by numerous substantive officers throughout the Department.

QUESTION: (e) how many people in your office are involved in the preparation, printing, or distribution of publications;

ANSWER: Ten people are involved in the preparation of the publications and two people in distribution.

QUESTION: (f) What is the estimated annual cost of preparing and printing the publications "U.S. Opinion Summary" and "Current Magazine Comment"? How often are each issued and how many people work on them? How many other government agencies prepare summaries of press or public opinion for the internal use of their agency officials?

ANSWER: The "U.S. Opinion Summary" is usually issued once a month. Preparation of this summary requires only a small portion of the time of two persons. The total estimated annual cost is $4,445 ($3,605 in salaries and $840 for reproduction).

The "Current Magazine Comment" is issued weekly. Preparation of this paper requires only a small portion of the time of two persons. The total estimated annual cost is $4,800 ($3,650 in salaries and $1,150 for reproduction).

We cannot answer the question pertaining to other government agencies because we have no first-hand information on what they are doing in this field, although we believe that some form of monitoring of media and other public comment on matters relating to agency responsibilities is common practice.

4. QUESTION: What, if any, films were produced by the State Department last year? What did they cost; and what distribution was made of them?

ANSWER: No new films were released in FY 1971. However, production work was in progress on the final stages of a three-part film series on the history of U.S. foreign relations from the Revolution to World War II. Parts I and II of this series have since been released, and are already booked solid through our Film Library until July (mainly for classroom use, and also for civic organizations and other users interested in foreign affairs). Part III will be completed by the end of FY 1972; distribution will begin in FY 1973. The total cost of the three films including print costs, will be approximately $188,000, funded over the five-year period 1968-1972.

5. QUESTION: How many speeches were made by State Department officers to public audiences within the last year and what was the cost of this program, including travel and other expenses?

ANSWER: The basic speakers program conducted by the Bureau of Public Affairs consists of public platform appearances by individual officers of the Department of State and occasionally by officers of ACDA, AID and USIA. It is the policy of the Bureau of Public Affairs to request reimbursement of the speaker's expenses under this program. In FY 1971, 1,106 speeches were made under this program. Only six speeches required the expenditure of appropriated funds in the amount of $385. The balance were speeches made at no cost to the Department (officers on home leave, diplomats-in-residence, speeches made in the metropolitan D.C. area, etc.); or speeches for which travel costs were reimbursed by the organizations that requested the speaker. Reimbursements amounted to $35,305 for such trips in FY 1971.

In addition to the foregoing basic speakers program, the Bureau of Public Affairs carries out the following activities involving public speeches by Department officers:

	FY 1971	
	No. speeches	Cost
Community Meetings	382	$11,222
Regional Foreign Policy Conferences	59	7,933
National Foreign Policy Conferences	103	3,353
Briefings in the Department	599	---
Campus visits	616	18,614

In a limited number of instances, other parts of the Department arrange for public speaking engagements. Under such arrangements, 108 speeches were made in FY 1971 at a total cost of $13,618 in appropriated funds.

6. QUESTION: (a) How many speeches by military officers or Defense officials were reviewed for foreign policy content in the last year?

ANSWER: A total of 153 Defense Department speeches were reviewed by the State Department in FY 1971.

QUESTION: (b) Does your office have authority to refuse to clear proposed speeches by military personnel or only to recommend changes? Were any of the Department's recommendations rejected in the last year? If so, please provide details.

ANSWER: The Department of State has the authority to refuse to clear speeches by military personnel and to make mandatory and recommended changes on speeches. This authority derives from directives by Presidents beginning with President Truman.

So far as we know, none of the Department's recommendations were rejected in the last year.

7. QUESTION: What is the Department's reason for setting a minimum time gap of 20 years after the events for publication of the "Foreign Relations" series? Why can't the gap be narrowed further in view of the fact that the gap was only 2 or 3 years at the turn of the century?

ANSWER: The President's instruction of March 8, 1972, sets 20 years as a maximum, not a minimum, gap for the "Foreign Relations" series. When the series gets back to 20 years, consideration can be given to narrowing the gap still further. However, the smaller the time gap, the more difficult it will be -- in view of valid foreign relations and defense interests -- to declassify and publish the comprehensive record in this series.

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8. QUESTION: According to the information provided the Committee there are 26 public advisory committees for the Department of State, which in the 1972 fiscal year will cost $587,661. There is, for example, a Special Advisory Committee on Public Opinion, with 100 public members, which is "to assist in keeping the Department of State informed on public attitudes in the United States on international questions." How many times did this Committee meet in the last year? Would you supply a copy of the reports filed by the Committee in the last year? Do you know if the Committee has ever been asked to determine public opinion about the war?

ANSWER: Four meetings of the Special Advisory Committee on Public Opinion were held in FY 1971, i.e., San Francisco, Memphis, New York City and Chicago, at a total cost in travel funds of $3,019.

The Department would prefer not to supply copies of the reports filed by the committee because members have been assured that discussion is on an off-the-record or confidential basis. Information and advice obtained from the committee members is for the internal use of policy-making officials in the Department of State. However, the Department would be glad to discuss the content of these reports with the Committee.

Yes, the committee has been asked to report on public opinion about the war, among the other major foreign relations issues.

AFTERNOON SESSION

The CHAIRMAN. The Committee will come to order.

The first witness this afternoon is Mr. Willis Armstrong, Assistant Secretary for Economic Affairs, accompanied by Mr. Julius L. Katz, Deputy Assistant Secretary.

STATEMENT OF WILLIS ARMSTRONG, ASSISTANT SECRETARY OF STATE FOR ECONOMIC AFFAIRS; ACCOMPANIED BY JULIUS L. KATZ, DEPUTY ASSISTANT SECRETARY

The CHAIRMAN. Mr. Armstrong, we are very pleased to have you. Have you a statement to make?

Mr. ARMSTRONG. Yes, Mr. Chairman. I do have a statement. Would you like me to read it?

The CHAIRMAN. That is up to you. Would you like to read it or summarize it and put it in the record?

Mr. ARMSTRONG. I could summarize it for the record.

The CHAIRMAN. You summarize and we will put the whole statement in the record. Then we can proceed with questions.

Mr. ARMSTRONG. Obviously, economic relations are a large and very important part of international relations. The way we conduct them can be very important, not only for our own economy, but for our relations with all countries in the world.

Our foreign economic policy is obviously to improve our own well-being and to advance the general foreign policy goals of a peaceful and prosperous and cooperative world.

U.S. IS IN NEW SITUATION

We are now in a new situation. Our record of the past 25 years has been one of a greatly expanded trade, greatly expanded world prosperity. But we got into serious balance of payments problems and we have some very important work to do to get out of them and get ourselves on a solvent basis so that we can continue to maintain a steady economy and a good set of relationships with other countries. In order to do this, we need good trade rules, and good monetary rules, to resolve the conflicting interest within the international monetary and trade world.

We need a great deal of real cooperation with other countries because, increasingly, what used to be considered domestic affairs has become a matter of international concern and what used to be considered international matters has become a matter of domestic concern. These things interact and affect each other.

We have had trade rules and monetary rules which have been useful. They need adjustments and improvements. Perhaps it is unwise to throw them all away, but it is certainly wise to take a look at them and see where they need adjustments to serve our interests better.

PRIMARY INTERESTS OF BUREAU

As I am sure is perfectly obvious, a great many parts of the government are involved in international economic matters. We in the Department of State are primarily interested in the international eco-

nomic aspect of things and we are where frequently the domestic and international interest of the government intersect.

We have a large order ahead in dealing with trade matters, not only in terms of export promotion, which is one of our major interests, but also in terms of making sure that particular U.S. industries are not seriously damaged by imports. We have new perspectives, in terms of possible relations with the People's Republic of China and with the Soviet Union in expanded trade.

I mentioned the balance of payments deficit. The world greatly needs a new monetary system. The reform of world monetary systems is a terribly complicated, intricate problem on which the governments need to work very seriously. We also have problems in the international field which derive from basic commodities, such as coffee, cocoa, sugar, oil or grains. We have a complex of relations with other countries, other governments, with regard to these commodities.

We are interested in world finance because the developing world has a great need for capital investment which is useful to its development. Naturally we are interested in trade with the developing world which can we hope someday put the developing world on a self-sustaining and paying basis.

We maintain a close relationship with international business and we try to encourage some private investment abroad. We also try to favor foreign investments in the United States.

We are interested in protecting intellectual and industrial property such as patents and trademarks and copyrights. We have major tasks in international aviation and shipping, as well as in telecommunications. In fact, the economic area of State Department goes across a very broad spectrum of international economic problems, and we require a fair amount of expertise of our own as well as working with the expertise of other departments of the government who have primary responsibilities of varying kinds.

TASK FOR THE '70S

Our task for the '70s, as I see it, Mr. Chairman, is to get ourselves back in shape, to take care of our own interest, America's own interests in the economic world, in a condition of expanding economy, not a contracting economy, because our best customers are also frequently the people with whom we have the closest political ties and with whom we need the best possible relationships.

I think that is a fair summary of my statement, Mr. Chairman.

(Mr. Armstrong's prepared statement follows:)

STATEMENT OF WILLIS ARMSTRONG

Mr. Chairman and Members of the Committee: Economic relations are a large and vital part of international relations.

How we conduct these relations, and the goals we pursue in international economic life, have far-reaching political and military, as well as economic, consequences. The world has become increasingly interdependent. Economic quarrels can poison political relations. Good economic relations can cement political and mutual security ties. Our own prosperity and well-being can be deeply affected by our international relations.

The basic goals of US foreign economic policy are to improve American material well-being—to raise real income at home—and to advance our broad foreign policy goals—to build a peaceful, prosperous and cooperative world.

The world has recently entered a new period in economic relations. Our actions must be shaped by the underlying conditions of the 1970's, and must be directed toward rectifying our balance of payments position and improving the rules governing trade and monetary relations among nations. We should keep what has worked well, but we should negotiate vigorously for modifications based on present reality.

Our immediate post-World War II foreign economic policy was deeply influenced by the bitter experience of the 1930's. We learned then that attempts by nations to solve their economic problems at each others' expense hurt them all. We learned that if our economy is to prosper and if we are to have constructive relations with other countries, we need to develop rules and procedures for the peaceful resolution of conflicting interests.

Internationally agreed rules of economic behavior reduce the scope for capricious regulations which could damage American exporters and investors. Moreover, a high degree of international cooperation is needed if we are to deal efficiently with such economic problems as attaining high and steady economic growth with full employment and without inflation, achieving balance-of-payments equilibrium, providing an adequate supply of international liquidity. Domestic and international economic policy increasingly affect each other.

U.S. economic and political objectives are best achieved in an open world economy, where there is the greatest possible freedom for goods and capital to move across national boundaries. This policy, which we have pursued in recent decades, has contributed much to the unprecedented expansion in world trade and the longest period of sustained and rapid economic growth in history. Our basic foreign economic policies can continue to serve our national interest. But adjustments and improvements are required. Designing these changes and getting them accepted by our trading partners is the challenge to our conduct of foreign relations.

Many government agencies are involved in the conduct of US foreign economic relations. In the Executive Branch, Treasury, Commerce, Labor, Agriculture, the Council of Economic Advisers, the Council on Environmental Quality, the Federal Reserve and, on occasion, others are necessarily involved because some aspect of their responsibilities is affected. And the Department of State, of course, is deeply involved, given the profound and growing influence of economics on international relations.

Let me now turn to the specific functions of the Economic Bureau of the Department of State.

TRADE

In the field of trade we propose and develop policies and programs to reduce barriers to the flow of goods. This involves mutual reductions in tariffs and the elimination of other barriers to trade not justified by the General Agreement on Tariffs and Trade (GATT).

We monitor the trade policies of other countries in order to protect US export interests. Of particular concern today are the agricultural policies of the European Common Market and the problems arising from the expansion of the Common Market from 6 to 10 countries.

Export promotion is a major interest of the Bureau and we are currently giving particular emphasis to improving the government's support of export expansion efforts by encouraging our foreign posts and by developing new types of efforts in this field.

We also watch particular US industries to see that they are not damaged by imports. We have proposed new policies to assist American industry and labor to meet foreign competition.

Any improvement in our relations with the Peoples' Republic of China, the Soviet Union and the countries of Eastern Europe has an economic component. We are exploring ways to improve our trade and other economic relations with them. Success in such efforts would have clear material benefits for us and would contribute to more normal relations with these countries.

MONETARY AFFAIRS

One of the major problems of recent years has been the US balance-of-payments deficit. We have pursued a variety of policies—tied aid, export promotion, capital controls—to deal with this problem.

We need an international monetary system which supports the rapid growth of world trade and permits us to avoid persistent balance-of-payments deficits.

The 1971 realignment of exchange rates, which was achieved through US initiative, is the first major step in this direction. We have agreed with other governments that we will now work towards reform of the international monetary system in order to meet both our needs and those of a modern world economy.

COMMODITIES

A good deal of international trade still consists of bulk commodities. Stability in this trade is important to us and to other countries, particularly to the developing countries of the world. We have worked out international agreements to stabilize world trade in grains, sugar and coffee. A cocoa agreement is under international negotiation. Our dependence on imports of oil and other forms of energy is growing. We are developing policies and programs to assure dependable sources of such supplies. We have helped to negotiate programs to limit imports of a variety of products, principally textiles, steel and meat, to protect the domestic producers of these products in exceptional competitive circumstances.

DEVELOPING COUNTRIES

Assistance to the less developed countries is an integral part of our foreign policy and is in keeping with American attitudes toward the less fortunate. Aid includes not only the financial assistance we give directly and through international institutions such as the World Bank, but measures which affect the trade of the developing countries. We are developing legislative proposals which would remove duties on US imports of manufactured goods from less developed countries. The European Common Market and Japan have already taken such a step, and it is in the US interest—commercial and political—not to lag behind.

PRIVATE BUSINESS

In addition to our export promotion activities, we pursue a variety of programs to assist US business. We seek to provide protection against unfair treatment to US industries operating abroad. We oppose expropriation without just compensation. We encourage sound private investment and cooperate with the Overseas Private Investment Corporation in its programs. We also favor foreign investment in the United States.

We have programs for negotiating arrangements to protect intellectual and industrial property, and we negotiated the new Patent Cooperation Treaty and the revised Copyright Convention.

TRANSPORTATION AND TELECOMMUNICATIONS

A major fact of modern economic life is the rapid growth of international travel, transportation and communications. National governments regulate these activities within each country. In many countries a large part of transportation and telecommunications facilities are owned and operated by the governments.

An effective system of international transportation and telecommunications require international cooperation based on the rule of law. We help to develop US policies on international aviation, shipping and telecommunications, and negotiate appropriate arrangements with foreign governments.

CONCLUSION

The postwar international economic institutions and enlightened economic policies of the industrial nations have served us well during the past quarter of a century. They gave the world the longest period of sustained and rapid economic growth in history.

But changed economic and political relationships require changes in our institutions and practices. Major changes were made in 1970 and 1971 and more are promised for the next year or so. We are seeking a new round of major trade negotiations in 1973 and have started to prepare for them. We have agreed with other governments to examine and develop basic reforms in the international monetary system.

Indeed, as a result of activities now in process, future historians may well describe the early 1970's as setting the structure of world economic and political relations for the rest of the century, in much the same way as the decisions of the late 1940's determined the shape of world economic relations for the subsequent quarter of a century.

Thus, in addition to the regular tasks of the Economic Bureau, described earlier, in the next few years the Bureau will be dealing with new and complex issues, and developing initiatives demanded by the times. Important economic interests at home and, perhaps even more so, abroad will be at stake. And so will the entire fabric of our relations with the rest of the world.

To deal with our basic functions and the new challenges before us, the Bureau described earlier, in the next few years the Bureau will be dealing with new and complex issues, and developing intiatives demanded by the times. Important economic interests at home and, perhaps even more so, abroad will be at stake. And so will the entire fabric of our relations with the rest of the world.

To deal with our basic functions and the new challenges before us, the Bureau of Economic Affairs requests $4,330,800. This amount would cover salaries for 220 American positions and direct domestic operating expenses. It is listed in the FY 1973 budget under Administration of Foreign Affairs: Appropriation, Salaries and Expenses.

(Committee staff note: The following tables give additional information about the Bureau of Economic Affairs:)

BUREAU OF ECONOMIC AFFAIRS

SUMMARY - DOMESTIC

	1971 Actual		1972 Estimate		1973 Estimate		Increase	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	216	$3,594,991	220	$3,672,475	220	$3,672,475	-	-
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		3,774,442		4,023,000		4,011,100		- $11,900
Operating Expense Fund Managed by This Office		310,200		314,700		319,700		+ 5,000
Total		4,084,642		4,337,700		4,330,800		- 6,900

EXPLANATION OF DECREASE AND INCREASES:

	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASE:						
Extra Day's Pay	-	- $29,600	11	-	-	-
INCREASES:						
Within-Grade Salary Increases	-	+ 17,700	11	-	-	-
Improved Support	-	-	-	-	+$ 5,000	51
Total Increases	-	+ 17,700		-	+ 5,000	
NET INCREASE/DECREASE	-	- 11,900		-	+ 5,000	

*In addition to salary costs includes Retirement, Health Benefit, Life Insurance Contributions; Terminal Leave; and similar costs.

PERMANENT STAFF BY ORGANIZATIONAL UNIT - DOMESTIC

Unit	1971 Actual No.	1971 Actual Annual Rate	1972 Estimate No.	1972 Estimate Annual Rate	1973 Estimate No.	1973 Estimate Annual Rate
Office of the Assistant Secretary....	33	$ 491,836	31	$ 472,595	31	$ 472,595
Office of International Trade Policy.	43	712,975	43	708,997	43	708,997
Office of Commercial Affairs and Business Activities.....	33	543,202	37	609,905	37	609,905
Office of International Finance and Development.....	22	369,789	25	414,708	25	414,708
Office of International Resources and Food Policy.....	44	733,573	44	739,014	44	739,014
Office of Transportation and Telecommunications.....	41	743,616	40	727,256	40	727,256
Total, Bureau of Economic Affiars	216	3,594,991	220	3,672,475	220	3,672,475

RELATIONS WITH CANADA

The CHAIRMAN. That last comment, I assume, contemplated our relations with Canada, which seems to be going through a little difficult period at the moment. Is that what you had in mind?

Mr. ARMSTRONG. Well, I had a certain amount of experience with Canada, sir.

The CHAIRMAN. I thought you had that in mind. What do you mean you had experience in Canada?

Mr. ARMSTRONG. When I was in the Foreign Service, I served four years in the Embassy in Ottawa. I served in the European Bureau in Charge of Canadian Affairs for a couple of years after that. Our relations with Canada frequently induce a great deal of public comment, both in Canada and the United States, but my experience has been that no matter how many comments we have, the fundamental relations are not so bad.

The CHAIRMAN. As the poor Canadians put it, there is nothing they can do about it. What was it they said about the elephant? Didn't Mr. Trudeau say it was like sleeping next to an elephant? Every time it turns over, it threatens to cause trouble?

Mr. ARMSTRONG. They are very conscious of the difference in size.

The CHAIRMAN. Yes. I agree with you. I think all big countries like that tend to be a little bit taken for granted.

BUREAU'S RELATIONSHIP TO INTERNATIONAL ECONOMIC POLICY COUNCIL

You are asking for $4.3 million for your Bureau, I see, and 220 American positions. Could you in a word give me a little indication of the relationship of your shop to some of these others. I understand last year in the White House an International Economic Policy Council was created. Is that right?

Mr. ARMSTRONG. That is right, sir.

The CHAIRMAN. Headed by Mr. Peter Flanigan?

Mr. ARMSTRONG. The chairman of the council is the President. The vice chairman is the Secretary of State. The executive director was Mr. Peter Peterson, and is now Mr. Peter Flanigan.

The CHAIRMAN. What is your relationship to the council?

Mr. ARMSTRONG. Well, the Secretary of State, as I say, is vice chairman, and the Department of State is a full member of the council.

The CHAIRMAN. I understand that. But what do you particularly do? Are you a member of this?

Mr. ARMSTRONG. We support, with all of the technical support we can, the work of the State Department in the council. Mr. Samuels, the Deputy Undersecretary for Economic Affairs, is the head of the Operations Group of the council, and we write a good many papers and do a good deal of work in discussion with other agencies to resolve policy problems.

INTERNATIONAL ECONOMIC POLICY COUNCIL

The CHAIRMAN. Describe very briefly the structure. How large a council is it? Who is on it? What is its function and staff. I want to get some feel of what we are dealing with.

Mr. ARMSTRONG. The membership consist of the Secretaries of

State, Treasury, Agriculture, Commerce and Labor; the Director of the Office of Management and Budget; the Chairman of the Council of Economic Advisors; the Assistant to the President for National Security Affairs; the Executive Director of the Domestic Council; and the Special Representative for Trade Negotiations.

The CHAIRMAN. Of course, they all have their representatives there. How often does it meet, regularly or only on call?

Mr. ARMSTRONG. Mr. Chairman, since I have only been on the job three weeks, I would like to defer that question to Mr. Katz. I do not know how often it meets.

The CHAIRMAN. I did not know you had only been on this job three weeks. What have you been doing?

Mr. ARMSTRONG. I appeared before you five weeks ago for confirmation. I was sworn in on the 15th of February. I guess this is my fourth week.

The CHAIRMAN. Fourth week?

Mr. ARMSTRONG. Yes.

The CHAIRMAN. All right. Mr. Katz, would you fill in the little details. I apologize for not recognizing this recent activity, but I seem to get diverted to other things sometimes.

Mr. KATZ. Mr. Chairman, the council meets on call. It does not have a regular schedule.

The CHAIRMAN. How often, approximately, once a month?

Mr. KATZ. No, sir. Not as frequently as that.

The CHAIRMAN. Twice a year?

Mr. KATZ. Well, I'd say in the last six months—I would say in the last four months, I can recall two meetings.

The CHAIRMAN. Two meetings?

Mr. KATZ. Of the council. Most of the work of the council goes on in the Operation Committee, which as Mr. Armstrong said, is chaired by Deputy Undersecretary Samuels.

The CHAIRMAN. How big a committee is that?

Mr. KATZ. It is made up of the interested agencies. It normally includes all of the agencies.

The CHAIRMAN. Does it have a staff of its own?

Mr. KATZ. No, sir. The staff is made up of the regular agencies. In other words, if there is a particular question which is being studied by the council or by the Operation Committee, the interested agencies supply representation to a task force and a report is prepared which is then forwarded to the executive director. And if required, there may be a council meeting on the subject. Normally that is not the requirement.

The CHAIRMAN. This was only created last year?

Mr. KATZ. Yes, sir, about a year ago.

The CHAIRMAN. So it has had two meetings? I will not bother you with it now, but would you explain for the record the names of the subcommittees and any other information. We want to get in the record some idea of the structure of these operating agencies.

(The information referred to follows:)

COUNCIL ON INTERNATIONAL ECONOMIC POLICY (SUBMITTED BY DEPARTMENT OF STATE)

What is the structure and function of the Council on International Economic Policy? What is the relationship of the Department of State to the Council?

The Council on International Economic Policy was established by the President on January 19, 1971. Proposed authorizing legislation was sent to the Congress on July 15, 1971.

The establishment of the Council was recommended by the President's Advisory Council on Executive Organization, chaired by Mr. Roy Ash, and the Williams Commission on International Trade and Investment Policy, strongly recommended that the Council "be given permanent status and sufficient funding through legislative action."

The Council functions at the same organizational level as the National Security Council and the Domestic Council; and is chaired by the President.

The January 19, 1971 Presidential Memorandum designated as Members of the Council, the Secretaaries of State, the Treasury, Agriculture, Commerce and Labor, the Director of the Office of Management and Budget, the Chairman of the Council, the Secretaries of State, the Treasury, Agriculture, Commerce and La-Affairs, the Executive Director of the Domestic Council, and the Special Representative for Trade Negotiations. Ambassador-at-Large David M. Kennedy and the Secretary of Defense were subsequently added.

The purposes of the Council are to provide a clear, top-level focus on international economic issues, to achieve consistency between international and domestic economic policy, and to maintain close coordination of international economic policy with basic foreign policy objectives.

The Council has undertaken a wide-ranging review of specific issues in our international economic relations. The issues vary from adjustment assistance to American firms, workers, and communities adversely affected by imports, to broad questions of US policy towards foreign investment. The purpose of the review is to develop a coherent strategy and to recommend new policies to the President in the broad field of international economics.

To carry out this function the Council has set up a variety of *ad hoc* study groups chaired by the agency most intimately concerned with the subject. In addition, there is the standing Operations Group which has the responsibility of following up on decisions reached, and, where necessary, coordinating US governmental actions. This is chaired by the Deputy Under Secretary of State for Economic Affairs, Nathaniel Samuels.

Through the Operations Group which State chairs and through our participation in each of the *ad hoc* study groups, we participate in all the activities of the CIEP.

COUNCIL'S ROLE IN EAST-WEST TRADE POLICY

Could I ask you this: Would a decision on such a matter as our policy on the East-West trade be made by this council or by somebody else?

Mr. KATZ. The council certainly has an important role in the question of East-West trade. It might also involve and does involve the National Security Council.

The CHAIRMAN. Will it, for example, be the one who recommends the most favored nation clause be extended to Russia, as an illustration?

Mr. KATZ. In the final analysis, Mr. Chairman, I think it will be agencies that make the recommendation and the Council on International Economic Policy and the National Security Council are really mechanisms to help bring about a decision.

The CHAIRMAN. By whom, the President?

Mr. KATZ. Yes, sir.

DEPARTMENT OF COMMERCE RELATION TO COUNCIL

The CHAIRMAN. What is the relation of this council to the Department of Commerce and what is your relation? Is Commerce just simply a member of the council?

Mr. KATZ. Yes, sir. They are a member of the council. On most of the issues dealt with by the council, they would have an interest, and would contribute to the examination of a particular problem.

REVIVED QUESTION OF SETTLING LEND-LEASE ACCOUNT WITH RUSSIA

The CHAIRMAN. I read in the paper the other day that there has been a revival of the question of the settlement of the Lend-Lease account with Russia. Do you know anything about that?

Mr. KATZ. Yes, sir.

The CHAIRMAN. Is there anything you can tell us about that?

Mr. ARMSTRONG. Mr. Chairman, the Russians have indicated that they might be prepared to negotiate on this issue.

The CHAIRMAN. Did they initiate this? Did they raise it?

Mr. ARMSTRONG. As you may recall, sir, there was some discussion of trade with Russia in December. Secretary Stans was there and then, subsequently, a senior Soviet official visited here. While he was here, there was some mention of this possibility. We have since inquired of the USSR, through diplomatic channels, if they are prepared to negotiate and roughly how soon. We have not heard back from that.

The CHAIRMAN. I think that is encouraging. I hope something comes of it.

As I recall, I took a lot of interest in this sometime ago. At one time, we asked $800,000,000; they offered $300,000,000, and I think somebody was talking about $500,000,000. Anyway, I think aside from the amount, it would be a very good thing if that could be settled. I hope that is true. I thought it was one of the more encouraging bits of news I had seen lately.

I do not want to pursue these details, but we do want to get into our record a description of the council and its function and what your relation to it is. We are really trying to run down how policy is made on these matters.

FORD MOTOR COMPANY'S DECISION NOT TO GO INTO RUSSIA

I was always interested, for example, who made the decision to discourage the Ford Motor Company from going into Russia with a truck factory. Did you make that? Did this shop make it or who did?

Mr. KATZ. No, sir. I think the decision was made by the Ford Motor Company.

The CHAIRMAN. Without encouragement of the——

Mr. KATZ. Yes, sir. I do not think there was any discouragement of the Ford Motor Company.

The CHAIRMAN. That is news to me. That was not the impression I got from the newspapers. I hope you are right. I really had the opposite impression from what I read in the paper.

Mr. KATZ. Yes, sir, I know.

The CHAIRMAN. I remembered the accounts. In the Firestone case in Romania it was an outside of government agency that brought so much heat to bear that made it intolerable. Then in the subsequent case, the State Department did take an affirmative view, which I thought was a very sensible and progressive view. I think they did later, in a sense, correct it, not with Firestone, but with somebody else. I have forgotten who, but on a similar plan.

Mr. KATZ. I do not think that was a political decision. I think it was really a commercial decision.

The CHAIRMAN. I am glad to hear it because I thought the papers implied that they had been discouraged by the Government. Maybe I just misread it.

Mr. KATZ. Well, to be fair, I think that there was certainly—well, there was uncertainty with respect to export licensing and how fast the licensing might come. But I do not think that was the basic reason. I think before the question of export licensing was pursued, they decided this was more than they wanted to handle.

EXPORT LICENSING DECISIONS

The CHAIRMAN. On the question of export licensing, is that solely in the hands of the Department of Commerce or do you have anything to do with that?

Mr. ARMSTRONG. Mr. Chairman, there are a number of Government agencies that have a voice on licensing of items where there might be an important security interest. We are one of the agencies who have a voice in this. I think that these problems are usually resolved fairly simply.

The CHAIRMAN. Is there a committee that makes this decision?

Mr. ARMSTRONG. There is an informal understanding between all of the agencies that they all consider the thing. I do not think there is a committee.

Mr. KATZ. There is an advisory committee. The law gives the Secretary of Commerce the authority to make the decision with respect to export licensing. There is an interagency advisory committee to the Secretary of Commerce. On occasion, there may be discussions at the Cabinet level, that is, the Secretary of Commerce might consult with his colleagues in the Cabinet. There was an informal Cabinet committee—Mr. Chairman, I do not recall whether it still exists, it was established under President Kennedy. But there is a lower level interagency advisory committee.

The CHAIRMAN. Interagency advisory committee?

Mr. KATZ. Yes, sir.

The CHAIRMAN. They give advice, we will say, to the Secretary of Commerce and he advises the President and the President makes the final decision?

Mr. KATZ. The Secretary of Commerce makes the final decision with respect to U.S. licensing, that is, licensing, for export out of the United States.

PRESIDENT'S ANNOUNCEMENT OF CHANGED RULES ON CHINA

The CHAIRMAN. Recently, on changing the rules on China, the President announced that; did he not?

Mr. KATZ. Yes, sir.

The CHAIRMAN. Was he usurping the prerogatives of the Secretary of Commerce?

Mr. KATZ. I do not think so.

The CHAIRMAN. Under what was he acting?

Mr. KATZ. He was establishing policy, and, of course, the Secretary of Commerce does carry out the policy of the Government and of

the administration. In a technical sense, however, he issues the license or does not issue the licensing.

The CHAIRMAN. He does. I wanted to try to get that matter straight.

PROPOSED SEPARATE FOREIGN COMMERCIAL SERVICE

Have you considered a proposal by Senator Magnuson, the chairman of the Commerce Committee, for, I believe, a separate foreign commercial service? Are you familiar with that proposal?

Mr. ARMSTRONG. Yes, sir.

The CHAIRMAN. Have you taken a position on it?

Mr. ARMSTRONG. I believe the understanding among the different departments has been that a study is to be made by the Office of Management and Budget concerning this. That study is now underway. The study is, fundamentally, directed toward how the foreign commercial service can be improved. It is particularly important to improve the service, because we now are in an urgent situation in regard to our exports.

So this is a matter which is being considered. We have had a unified Foreign Service in this field and we have a very active and energetic program in our Foreign Service posts, with a good deal of backstopping by a number of departments, Commerce and State being among them.

That is the present situation.

The CHAIRMAN. Is it fair to say different departments take different views and therefore there is no unified view on the part of the executive branch? Is that a fair statement?

Mr. ARMSTRONG. I would say that is a fair statement. There is some difference of opinion on this subject.

The CHAIRMAN. That is not unusual.

DOLLAR DRAIN FROM U.S. ACTIVITIES ABROAD

Can you have available what the total dollar drain was due to U.S. Government activities abroad last year? Do you keep those statistics? Do you have them available?

Mr. ARMSTRONG. We have some statistics on that.

The CHAIRMAN. I wonder if you put this in the record, unless you have it right off. These are rather time consuming, and I want my colleagues to go on, but these are items I would like to have in the record: the total dollar drain of last year, your estimate for 1972, if you have it and one for 1973. If you can, do it on an agency by agency basis. We are very interested in trying to establish the source of our imbalance of payments and imbalance of trade, of course, too. But imbalance of payments. Could you do that?

Mr. ARMSTRONG. Yes. We could do that, I think.

(The information referred to follows:)

DOLLAR DRAIN OF U.S. ACTIVITIES ABROAD (SUPPLIED BY DEPARTMENT OF STATE)

The attached table gives dollar expenditures by agency for FY 1971. Estimates for 1972 and 1973 are not yet available. These figures are those reported to the U.S. Treasury by the various agencies listed. The figures obviously do not include such expenditures as AID loans and grants.

REPORT ON OVERSEAS EXPENDITURES

(In thousands of dollars)

World-Wide Summary	U.S. Dollars
Agency for International Development	91,938
Agriculture, Department of	5,218
American Battle Monuments Commission	483
Atomic Energy Commission	8,579
Civil Service Commission	22,654
Commerce, Department of	4,666
Defense, Department of	4,811,600
Export-Import Bank of Washington	4,899
General Services Administration	197
Health, Education and Welfare, Department of	273,879
Interior, Department of	46,809
Justice, Department of	3,860
Labor, Department of	1,160
Library of Congress	145
National Aeronautics and Space Administration	22,704
National Science Foundation	2,561
Panama Canal	53,385
Peace Corps	14,842
Post Office Department	29,378
Railroad Retirement Board	13,097
State, Department of	153,577
Tennessee Valley Authority	11,848
Transportation, Department of	13,503
Treasury, Department of	2,013
United States Information Agency	33,352
Veterans Administration	76,888
Sub-Total	5,708,235
Expenditures of certain foreign currency which was purchased with dollars from commercial sources other than the Department of Defense	+ 313,400
Total	6,021,635

BALANCE-OF-PAYMENTS EFFECT OF WITHDRAWING TROOPS FROM EUROPE

The CHAIRMAN. Would you venture an opinion about the effect on the balance of payments if 50,000 American troops were brought home from Europe? Have you studied this at all?

Mr. ARMSTRONG. Well, I have not personally, sir, but I am sure that people have studied it and have analyzed what the cost is of maintaining troops in Europe. I am sure it has been the subject of a great deal of attention. I know, for example, that other governments have done similar things. I served in Britain when the British were studying their problem.

The CHAIRMAN. They did make such a study.

Mr. ARMSTRONG. I am sure the United States Government has.

The CHAIRMAN. This is a problem that has been before the United States Government and the Congress and before all of us in the Senate, and still is. It has not been resolved. Could you supply for the record your best estimates from whatever source you can get them of the effect of the withdrawal of, say, 50,000, 100,000, and 150,000 troops? Could you do this?

Mr. ARMSTRONG. We will try.

The CHAIRMAN. Thank you very much. It would be very helpful to us to put it in the record.

(The information referred to follows:)

EFFECT ON U.S. BALANCE OF PAYMENTS OF WITHDRAWING TROOPS FROM EUROPE

(Supplied by Department of State)

Answer. It is the policy of this Administration to maintain and improve U.S. forces in Europe and not to reduce them without reciprocal action by our adversaries. This policy is based upon an assessment of the defense function our forces in Europe perform. Therefore, the following hypothetical discussion of the balance-of-payments effects of withdrawing American forces from Europe does not deal with the strategic and political reasons for the maintenance of a given force level in Europe, nor does it imply agreement by the Departments of State and Defense to reductions in U.S. forces there.

Several factors would determine the magnitude of the balance-of-payments impact. Savings would obviously be larger if certain bases or installations in Europe were closed. This would result in a greater decrease in official spending as well as a reduction in personal spending, both of which contribute to balance-of-payments costs.

If forces withdrawn from Europe were subsequently based in the U.S., the *budgetary* costs would be greater than if they remained in Europe. In the short run there would also be increased balance-of-payments costs associated with reducing our forces. After these costs had been met, however, there would be balance-of-payments savings from substantial force reductions.

Our military account expenditures in NATO Europe were $1.8 billion before offsets in fiscal year 1971 as compared with a basic balance-of-payments deficit of $5.7 billion and an official settlements deficit of $16.8 billion. A part of these expenditures is offset through agreements with the Federal Republic of Germany and by military purchases in the U.S. by other NATO Allies. The current Offset Agreement with Germany, covering fiscal years 1972 and 1973, encompasses transactions totaling approximately $2.1 billion, a significant portion of which benefits our payments balance. A unilateral reduction of U.S. forces in Europe would seriously hinder any negotiation of a satisfactory Offset Agreement for FY 1974 and beyond.

These caveats having been made, a simplified but not inappropriate calculation of the impact of force reduction in NATO Europe could be reached solely on the basis of *personal* spending by military and DOD civilian personnel and their dependents. This would assume proportionate reductions in non-appropri-

ated fund activities and would ignore country and other disparities. In these terms, personal spending per assigned individual in FY 1971 averaged $2,700. Using this figure, the effect of force reductions on the military balance-of-payments would be as follows:

Size of reduction:	*B/P savings, in millions*
50,000	$135
100,000	270
150,000	405

This calculation, however, being based on FY 1971, does not take into account price and pay increases in Europe since July 1971 nor the effect of the December 18, 1971 exchange-rate realignments. The effects of price increases and the realignments are somewhat contradictory. On the one hand, they may tend to discourage personal spending on the local economy; on the other, they increase the balance-of-payments costs of a given level of consumption.

In the absence of specific decisions on how and where forces might be reduced, it is difficult to draw more definite conclusions about the impact of withdrawal on official spending.

COMPETITIVE SITUATION OF U.S. INDUSTRY WITH REGARD TO OTHERS

I have a number of other questions, but I would like to yield with this one observation. Above anything you can do by way of negotiations and talks and nearly anything else, it is the competitive situation of our industry with regard to other countries that is the single most important element. If our inflation and our prices are out of line with our competitors, there is not much you can do about it. Is that a fact?

Mr. ARMSTRONG. I could not agree more. There is no more important thing than productivity and low-unit labor cost and a competitive American economy is what we need most.

The CHAIRMAN. Competitive. It is all right to have you and your colleagues doing all you can, but if our internal economy deteriorates to the point where we are out of line in our prices, as I think we have become in many instances, there is not a thing you can do about it.

Mr. ARMSTRONG. Very little.

The CHAIRMAN. Senator Symington.

Senator SYMINGTON. Thank you, Mr. Chairman.

ECONOMIC DOMINATION OF COMMON MARKET COUNTRIES

Mr. Secretary, nine years ago this fall I began worrying about this balance of payments situation to the point where I made my first warning talk about it on the Senate floor. In the report of the Secretary of State, Page 191, he says: "While the United States remains the single most powerful economy in the world, it no longer dominates the world as it did earlier in the post war period." Actually, the domination at this time is on the part of the common market countries, is it not? They are in considerably better financial shape than we, are they not, as a group? They have more gold, have less liabilities against their gold and so forth.

Mr. ARMSTRONG. Their international position at the moment is certainly better, yes.

FURTHER DEVALUATION OF DOLLAR

Senator SYMINGTON. How long do you think it will be before we have to devalue the dollar again?

Mr. ARMSTRONG. I think that we should see whether the present policy will succeed during the current year. We should have good indication by the latter part of the year as to how successful the recent arrangement is going to be. It is too early yet to make any judgment on how it has been, and I think we need to settle down a little more. It takes quite a while to turn around. I might say I served in Britain during the very severe sterling crisis for 1964 to 1967. They took certain steps at that time with respect to productivity and that sort of thing and no results were seen for a couple of years. But they have been in very good shape for the last two or three years.

Senator SYMINGTON. You would not want to guess when we will devalue further; correct?

Mr. ARMSTRONG. I would rather not.

CURRENT LIABILITIES REDEEMABLE IN GOLD

Senator SYMINGTON. We have about 10 billion dollars in gold, plus or minus. How much do we owe in current liabilities redeemable in gold; do you know?

Mr. ARMSTRONG. We do not have a pledge to redeem in gold, because we suspended gold convertibility as of last summer.

Senator SYMINGTON. Then let me put it this way. What would the price of gold have to be to cover all of our obligations if we went back to redeeming in gold? I think it would be between $190 and $200 an ounce.

Mr. ARMSTRONG. It does not sound too far off in that kind of a guess. No.

NET LIQUIDITY BALANCE

Senator SYMINGTON. A businessman, when he looks at a balance sheet, immediately observes the net current asset position, current assets against current liabilities. This is comparable to the net liquidity balance. On page 197 of the Secretary's Report he says the 1960–64 average was minus $2.2 billion, 1965–69, minus $3.4 billion, 1970, minus $3.8 billion. But for the first three quarters of 1971 it was a minus $23.4 billion, which is incredible.

ESTIMATED FEDERAL DEFICIT

I was in New York yesterday at a meeting of economists and bankers. Some stated the actual Federal deficit in the government, this year would be not less than $60 billion, $11.6 billion was the estimated deficit 14 months ago. Now it is admitted to be $38.8. They said by the first of next July, all figures in, it could well be $60 billion.

Have you any figure you would like to give us as to what it will be, above $38.8 billion?

Mr. ARMSTRONG. I would rather not make a guess on that, sir, on the size of the general deficit. No.

RISE IN FEDERAL DEFICIT BETWEEN 1970 AND 1971

Senator SYMINGTON. Would you tell us why the net liquidity balance on Page 197, is $23.4 billion? Why do we suddenly shoot up with such a gigantic deficit?

Mr. ARMSTRONG. The reason for that was in the spring, in April and May, and then again in the summer, there was a very serious run on the dollar and a very substantial flight of money from the United States to Europe. There were two reasons. One was higher interest rates and more yield on money in Europe, and the other was apprehension over the possibility of devaluation or some such change. Now, as is frequent in such cases, the thing got so bad that it was the proximate and immediate cause of the measures taken on August 15 to stop the convertibility of the dollar to gold and to detach the dollar from gold. It was a very serious situation indeed and required drastic action. It will take a while, as I said earlier, to get back in business on a more solvent basis.

But the effort since the 15th of August has been to stop this and to reverse the trend.

SUCCESS OF EFFORT SINCE AUGUST 15

Senator SYMINGTON. Has it been successful? Have you stopped the flow of dollars?

Mr. ARMSTRONG. I do not think much more has gone, but I do not think much more has come back. There is still a considerable disparity in interest rates between United States and Europe and it is more profitable if you are holding money to leave it in Europe than to bring it home.

Senator SYMINGTON. Does that mean we are going to raise interest rates? Surely not before November.

Mr. ARMSTRONG. I would be highly surprised.

TEN PERCENT SURCHARGE DECISION

Senator SYMINGTON. The 10 percent surcharge that was slapped on. Was that a State Department recommendation or a Treasury decision?

Mr. ARMSTRONG. I was not there at the time, sir.

Senator SYMINGTON. Do you know, Mr. Katz?

Mr. KATZ. It was a decision of the President. There was a lot of discussion about it for some weeks and indeed some months before. This situation did not occur all of a sudden, despite some popular views. It was clearly coming. There was some discussion about particular measures that might be taken. The final decision was the decision of the President.

Senator SYMINGTON. What was the position of the State Department on it?

Mr. KATZ. We did not take a position on it at that time.

Senator SYMINGTON. Which department is the fundamental department in discussion of trade? Who makes the decision? Treasury or State?

Mr. KATZ. I would say there are many different contributions to policy. I think in the case of the August 15 measures, the single most important person involved was the President. It was his decision. And with regard to whether or not it hurt us or helped us, I think it was the right decision to make. In fact, while the State Department did not take a position as such, there were many of us who actually talked about it in the days preceding that decision.

Obviously, that decision was unpopular abroad. But there were many people who said that it would never come off, that there was nothing more permanent than a temporary measure. In fact, it did

come off after several months. I do not think it did us all that much harm abroad.

Senator SYMINGTON. It has never been clear to me why Britain going in the Common Market would help the United States. They already had the advantage of the relatively favorable position inside the sterling bloc, including Australia, New Zealand, Canada, India, and so forth. In any case I would question the statement that we are the most powerful economy in the world, if you consider the Common Market, overall, as one economy.

INCREASE IN NET LIQUIDITY BALANCE

What is your thought about the reason for this gigantic increase in our net liquidity balance? Do you agree with Mr. Armstrong?

Mr. KATZ. Yes, sir, I do. I think it had both the aspects of taking advantage of interest rate differentials and a flight from the dollar.

Senator SYMINGTON. How long do you think it is going to continue?

Mr. KATZ. Well, I think the flight from the dollar has really been arrested. That is not to say there may not be some additional dollars leaving the United States at this point in time, but certainly the hemorrhage has been stopped. That is what we were faced with late last year.

When will the dollars return? Well, that is a little difficult to tell at this point.

CONVERTIBILITY

Senator SYMINGTON. Has the State Department taken any position on convertibility?

Mr. KATZ. Not as such. I think it is generally recognized that at some point in time we will have to go back to it. But clearly, this is not the moment. We do need to talk about reform of the monetary system and it is agreed internationally that we will do so.

ALLOWING U.S. CITIZENS TO BUY GOLD SUGGESTED

Senator SYMINGTON. Every other country allows its citizens to possess gold, except the United States. Why should we penalize our people who are putting up most of the money, not only here, but abroad.

Mr. ARMSTRONG. Well, I am no gold expert, sir, but I do think that——

Senator SYMINGTON. Why should we give all other people this advantage? We have given out a lot of advantages, including our foreign aid program, and now hold a great deal less gold than the Common Market. If a citizen wants to put gold in his safe deposit box as a hedge against this tremendous deficit we are building up, why shouldn't he be allowed to do so in this country? Why should the government make it a criminal offense for him to do it? At the same time all these people we have been supporting so long are welcome to do it?

Mr. ARMSTRONG. I think there is a psychology of gold in many countries that is very important. People have what might be called a very primitive sense of possession in acquiring gold and feeling it is more valuable than any other form of money.

Senator SYMINGTON. Are you saying people in these other countries are more primitive than people in the United States?

Mr. ARMSTRONG. I am not saying that. I am just saying this is a very natural inclination, to prefer what you recognize as the more valuable money.

Senator SYMINGTON. But why won't we allow it to our own citizens?

Mr. ARMSTRONG. The problem here, as I understand it, is that since we have been under pressure in terms of our balance of payments for some time, and as long as we maintain official nonconvertibility, we would be extremely vulnerable in terms of our basic gold reserves, if we were to relax our restrictions on private holdings.

Senator SYMINGTON. But we do not have the convertibility now.

Mr. ARMSTRONG. We do not have it now, but continuing to maintain a policy of withholding gold from citizens helps or is designed to help maintain our credibility with other, say, central banks and financial centers, in terms of our determination to correct the situation so that we might sometime get to a position where we could allow citizens to have gold of their own.

Senator SYMINGTON. Would you supply for the record a statement now as to why you believe we should not allow citizens to hold gold?

Mr. ARMSTRONG. Sure.

(The information referred to follows:)

BAN ON HOLDING OF GOLD BY U.S. CITIZENS

(Supplied by Department of State)

The ban on the holding of gold by American citizens results from the provisions of the Gold Reserve Act of 1934 and the Executive Orders and Treasury regulations issued pursuant to it. In view of the sensitivity of world markets to U.S. attitudes and the long time existence of the ban, it would be wise to postpone any substantive discussion of it until such discussion would not risk being disruptive either to world markets or to negotiations on the reform of the international monetary system.

Senator SYMINGTON. Thank you, Mr. Chairman.

The CHAIRMAN. The Senator from Vermont.

DISCUSSIONS WITH CANADA REGARDING UNIFORM ENERGY POLICY

Senator AIKEN. One short question. I think Mr. Katz can answer it.

Are you making any progress in our discussions with Canada relative to uniform energy policy?

Mr. KATZ. Senator, there is nothing that I can report this afternoon by way of progress. We have had many discussions with Canadian officials about this subject. They have been considering the question in some detail and we expect that we will be having further discussions with them in the very near future.

Senator AIKEN. I won't go into this further now, but you realize Canada has a lot of energy and we have a lot of need.

Mr. KATZ. Yes, sir.

Senator AIKEN. It seems important. Perhaps some arrangement could be made.

That is all, Mr. Chairman.

DECISION MAKER CONCERNING NEGOTIATIONS WITH CANADA

The CHAIRMAN. In that connection, for my own information, are you the agency that would negotiate this? I understood you to say the

Federal Power Commission has the decision on, for example, whether or not we import liquified gas. As a matter of information, who does make these decisions?

Mr. KATZ. Well, where it is a matter of negotiation with Canada, and particularly with respect to oil, which is what I thought the Senator's question was, the Federal Power Commission does not have any jurisdiction.

Senator SYMINGTON. It is not just oil. I thought you said unified energy.

Senator AIKEN. All kinds of energy.

Mr. KATZ. Well, with respect to gas, the Federal Power Commission does have jurisdiction with respect to imports into the United States and with respect to rates. That is, the charges that may be made for the gas. But in terms of negotiations with the Canadian Government, we have been handling them, but with participation of some other interested agencies. For example, the Interior Department, General Lincoln's staff. General Lincoln is the chairman of the Oil Policy Committee. We have consulted with the staff of the Federal Power Commission with respect to questions of gas.

The CHAIRMAN. Senator Cooper.

Senator COOPER. I will be brief.

In reading this statement and also hearing your testimony, it is clear that your department is one of the most important in the Department of State.

REFORM OF INTERNATIONAL MONETARY SYSTEM

You say that important decisions have to be made in the future and you need additional staff in order to prepare, particularly in relation to the establishment of a new international currency. Has any progress been made at all toward this end? You say the countries have agreed to undertake to establish this international currency. Has anything actually been done? Any decision made?

Mr. ARMSTRONG. Senator, the agreement is on the reform of the international monetary system, and there is work going forward within our government and certainly within other governments, toward reform of the monetary system. It is a very complex matter, and it will be some time before there is any general indication of reaching agreement, it would seem to me, because you are in effect starting in a vacuum with a monetary system you have to devise.

Senator COOPER. You say it is one of the most important tasks of the future. You say that; do you not?

Mr. ARMSTRONG. Yes.

Senator COOPER. Actually, other than the agreement of these countries that you were to establish this system, are there any continuing discussions taking place?

Mr. ARMSTRONG. Oh, yes. There are discussions going on. There are papers being written. There are studies being made. The best possible advice is being obtained, and the work is being done in a number of departments, of course.

1971 REALIGNMENT OF EXCHANGE RATE

Senator COOPER. You speak of the 1971 realignment of the exchange rate, the subject of further possible devaluation. Would you say at this time the realignment is concluded?

Mr. ARMSTRONG. That arrangement was made in December. I think it will be a while before one can tell how well it will work. But we are a great deal better off than we were with anything we had for some time before that.

YIELD FROM INVESTMENTS ABROAD

Senator COOPER. I forget who raised the question about investments abroad, but could you supply for the record data on U.S. investment abroad in 1971 and estimate in 1972 compared with earnings, either repatriated or reinvested? Can that be done?

Mr. ARMSTRONG. I think it can be done. Certainly, a good deal of information can be provided.

(The information referred to follows:)

U.S. INVESTMENT OUTFLOWS AND EARNINGS, 1971–1972

(Supplied by Department of State)

The attached table lists U.S. private direct investment outflows and earnings for 1971 and those estimated for 1972.

U.S. INVESTMENT OUTFLOWS AND EARNINGS

[In billions of dollars]

	1971	1972
Direct investment outflow	4.5	4.4
Direct investment earnings	9.2	9.6

Senator COOPER. Just from your general knowledge, would you say that the earnings that have been repatriated stand in some balance with the funds, the money that has been invested abroad? I know it takes some time after investment,—

Mr. ARMSTRONG. I think our income, if you leave aside this flight of short-term capital that occurred in 1971, if you leave that aside, then I think you have got a situation where our yield from overseas investment has probably been larger than our outflow of capital. Certainly this is true in a number of areas. I am not sure of the figures. I think they are contained in some of the material that has been published. But we are getting an increasing yield from investments abroad which are a positive factor in our balance of payments. The rate of which people transmit the earnings home varies. It depends on their judgment as to how best to use their money.

Senator COOPER. I have just two other questions.

POSSIBILITY OF IMPROVED BALANCE OF TRADE THROUGH GATT NEGOTIATIONS

Do you see any possibility of improvement of our balance of trade through the coming GATT negotiations?

When the Common Market is establishing arbitrary barriers, do you intend to negotiate upon those arbitrary barriers as well as the usual rule of tariffs?

Mr. ARMSTRONG. There are two problems. First, the tariffs of the Common Market and our tariffs are probably well matched. There is a good deal of room for reduction of tariffs. Second, there are also

nontariff barriers, and I suppose the most significant and most important for the United States of the nontariff barriers in the Common Market are the agricultural arrangements. Certainly, any negotiation which could take place would have to take major account of those barriers to agricultural exports, which I think are very important and should be vigorously attacked.

Senator COOPER. I think that is all, Mr. Chairman.

The CHAIRMAN. Mr. Armstrong, thank you very much. I appreciate your coming. This, as you know, is the beginning of a series of hearings based upon the authority in the last Foreign Aid bill. I think it is very useful to have you come and have conversation with us. We no doubt will be in touch with you again. I appreciate your coming.

Mr. ARMSTRONG. Thank you, Mr. Chairman.

The CHAIRMAN. I might say, we have three more witnesses. I am not sure we will get to all of them this afternoon. We have been a bit slow.

(Additional questions and answers follow:)

ANSWERS TO QUESTIONS SUBMITTED TO MR. ARMSTRONG, ASSISTANT SECRETARY FOR ECONOMIC AFFAIRS, BY THE CHAIRMAN FOR THE RECORD

Question. There are many other agencies with an interest in international economic affairs—the Commerce Department, the Treasury Department, the Federal Reserve Board, the Tariff Commission, and so on. Would you supply for the record the number of people and the cost for each agency to look after their interests in the field of foreign economic policy?

Answer. The following list was supplied to the Department of State by the Office of Management and Budget. Figures for the Department of State were developed internally and reflect Fiscal 1972 resource allocations.

	Full-time employees in permanent positions June 30, 1971	Obligations incurred in fiscal year ending June 30, 1971
Atomic Energy Commission, Division of International Activities	84	$1,400,000
Civil Aeronautics Board, International Economic Affairs	58	1,115,000
Council on International Economic Policy	[1] 29	[1] 1,130,000
Export-Import Bank	358	2,912,221,000
Federal Reserve Board: Division of International Finance	75	1,479,000
Overseas Private Investment Corporation	127	1,488,000
Special Representative for Trade Negotiations	30	633,000
Tariff Commission	248	4,452,000
Departments of:		
Agriculture:		
Public Law 480		702,500,000
Foreign Agricultural Service	735	27,462,000
Export Marketing Service	189	3,684,000
Foreign Economic Development Service	111	6,004,000
Consumer & Marketing Service	7	196,000
Agricultural Research Service	48	1,303,000
Other	126	4,252,000
Commerce:		
Bureau of International Commerce	1,168	31,241,000
Office of Foreign Direct Investment	134	2,846,000
U.S. Travel Service	78	4,669,000
Bureau of Domestic Commerce	300	5,500,000
Social and Economic Statistics Administration	350	5,053,000
Interior:		
Oil Import Administration	19	403,000
Office of Oil and Gas	20	676,000
Labor: International Labor Affairs	32	518,000
State (overseas and domestic)	2,308	38,187,000
[of which were foreign local employees]	(1,176)	
Agency for International Development	13,477	1,995,803,000
Transportation: Office of International Programs	31	440,000
Treasury: Assistant Secretary for International Affairs	332	8,035,000

[1] Data are for fiscal year ending June 30, 1972.

Question (2). How do you go about deciding what is in the interest of the people of the United States relating to international economic questions? How do you go about getting views on such questions from sources that are not a part of the U.S. business groups with vested interests at stake?

Answer. The final position of the Executive Branch in any particular case is determined—by the President personally if the matter is sufficiently important—only after the views of all interested agencies are taken into account. These agencies in turn reflect, in part, the views and concerns of a wide variety of domestic interests.

There are numerous ways in which the Department obtains views on international economic questions from sources that are not a part of U.S. business groups, although the views of such groups are also desired and essential to a sound decision. These sources include in particular the Congress as well as consumers, farmers, labor unions, private citizens, church groups, women's groups, the academic community and others. Many individuals and organizations express their views by corresponding directly with the Department. Others prefer to act through their Senators and Congressmen. We also obtain views and opinions on international economic questions through national and regional foreign policy conferences conducted by the Department, seminars and briefings, the press, congressional hearings, individual interviews, and speaking engagements by Department officers. In the case of trade negotiations and agreements there is a formal interagency mechanism established specifically to gather opinions from the public—the Trade Information Committee—chaired by the Office of the President's Special Representative for Trade Negotiations.

Question (3):

a) What is the current external debt of each recipient of U.S. foreign aid?
b) What percentage of the debt is owed to the U.S. Government?
c) What percentage is owed to U.S. citizens?
d) For each aid recipient, what is its external debt projected to be at the end of the next five years?
e) The next ten years?
f) What percentage of the projected debt will be owed to the U.S. Governmnt?
g) To U.S. citizens?

Answers. The answers to questions (a) and (b) are found in the table below. (Figures in millions of dollars as of December 31, 1970)

(1) Country	(2) Current external debt	(3) Amount owed to U.S. Government	(4) Percentage, col. (3) of col. (2)
I. NEAR EAST/SOUTH ASIA			
Afghanistan	738.5	51.1	6.9
Ceylon	554.2	72.1	13.0
Greece	1,058.1	201.0	19.0
India	9,197.9	5,370.8	58.4
Nepal	16.8	2.9	17.3
Pakistan (including Bangladesh)	4,324.7	1,986.7	45.9
Turkey	2,537.4	1,053.9	41.5
Iran	3,552.3	525.6	14.8
II. LATIN AMERICA			
Argentina	2,554.2	328.2	12.9
Bolivia	531.5	190.1	35.8
Brazil	3,830.4	1,613.7	42.1
Chile	2,657.1	948.8	35.7
Columbia	1,729.9	664.2	38.4
Costa Rica	221.1	66.1	29.9
Dominican Republic	281.6	198.4	70.5
Ecuador	337.1	112.1	33.3
El Salvador	120.1	53.5	44.6
Guatemala	174.1	42.0	24.1
Guyana	118.1	20.0	16.9
Honduras	139.0	38.7	27.9
Jamaica	184.0	17.0	9.2
Nicaragua	224.7	73.2	32.6
Panama	234.5	88.7	37.8
Paraguay	147.8	43.8	29.6
Peru	1,208.5	182.1	15.1
Uruguay	333.7	61.0	18.3
Venezuela	833.8	269.7	32.4

(1) Country	(2) Current external debt	(3) Amount owed to U.S. Government	(4) Percentage, col. (3) of col. (2)
III. EAST ASIA			
Cambodia (Khmer Republic)	99.9	0	0
China, Republic of	1,277.4	456.5	35.7
Indonesia	3,677.6	665.2	18.1
Korea	2,714.7	488.5	18.0
Laos	18.8	0	0
Philippines	831.9	209.0	25.2
Thailand	470.6	84.0	17.9
Vietnam	114.6	0	0
IV. EUROPE			
Yugoslavia	1,717.4	276.7	16.1
V. AFRICA			
Cameroon	244.5	19.7	8.1
Congo (Kinshasa)	524.1	91.0	17.4
Dahomey	58.4	0.2	.3
Ethiopia	262.3	52.2	19.9
Ghana	599.6	168.9	28.2
Ivory Coast	450.3	29.0	6.4
Kenya	423.7	12.9	3.0
Liberia	179.2	138.8	77.5
Malagasy Republic	146.1	3.1	2.1
Malawi	162.7	3.1	1.9
Mali	306.7	1.2	.4
Morocco	896.7	403.4	45.0
Niger	68.1	2.2	3.2
Nigeria	683.4	39.7	5.8
Somali Republic	107.5	10.1	9.4
Tanzania	452.2	24.0	5.3
Tunisia	810.6	252.6	31.2
Uganda	195.7	8.5	4.3

Note: With regard to questions (c) and (g) to the best of my knowledge, no figures covering foreign obligations to private U.S. citizens are available. With regard to questions (d), (e), and (f), any projections we might make on a country basis have to include such a number of assumptions about so many variables as not to be particularly meaningful. The question is addressed under debt rescheduling.

Question 4. Within the past five years, how many U.S. aid recipients have had to reschedule their external debt? How many are expected to negotiate debt rescheduling agreements within the next five years? Within the next ten years?

Answer. In the past five years, the following U.S. aid recipients have rescheduled their debt:

Indonesia (3 times)
Ghana (2 times)
India (1 time)
Peru (2 times, but not U.S. credits, only European)
Egypt (1 time)
Yugoslavia (1 time)
Rescheduling negotiations are now in process with several countries—Chile, Pakistan and Ghana.

It is impossible to say how many countries will reschedule their debts over the next five to ten years. This will be determined by a variety of factors, notably the economic policies followed and the extent of dependence on external credits, particularly suppliers' credits. Countries with heavy debt obligations in relation to their ability to service them, (as reflected by their debt/export earnings ratio) are: Ceylon, Afghanistan, Uganda, Tunisia, Korea, Philippines, Argentina, Uruguay, Brazil. Turkey, Yugoslavia.

It is not certain how many of these countries will actually have to reschedule. Some will follow policies which allow them to keep their debt burden under control. Others may, for reasons within or beyond their control, be obliged to seek renegotiation of their debt repayments in the next several years. The problem of debt rescheduling is growing and reflects the faster rate of growth of debt (14% per annum) than of export earnings (about 6.5% per annum).

The next witness is Mr. Ronald I. Spiers, Director, Bureau of Politico-Military Affairs.

I would hope we can move along. We will have an opportunity, I may say, to talk to these gentlemen in executive session later on, if there are aspects of it after we have had a chance to consider them, that we wish to pursue.

STATEMENT OF RONALD I. SPIERS, DIRECTOR, BUREAU OF POLITICO-MILITARY AFFAIRS, DEPARTMENT OF STATE; ACCOMPANIED BY THOMAS PICKERING, DEPUTY DIRECTOR

The CHAIRMAN. Mr. Spiers, I notice you have a rather lengthy statement. Due to the shortness of the time, would you mind putting it in the record and summarizing it for us?

Mr. SPIERS. I can either summarize or skip it entirely.

The CHAIRMAN. You can tell us the general message. We are familiar with your work to some extent. It is not the first time you have been before the committee. We are very pleased to have you again, in a little different connection.

But if you would, briefly summarize it and we will put the entire statement in the record.

No doubt, we will have a chance to pursue any odds and ends of the questions at a later date.

Mr. SPIERS. Yes, sir.

PRINCIPAL FUNCTIONS OF BUREAU

The principal functions of the Bureau of Politico-Military Affairs are four. Firstly, to serve as an adviser to the Secretary of State on issues and policy problems which arise in the areas where defense and foreign policy intersect; secondly, to serve as the principal channel of liaison and contact between the State and Defense; thirdly, to work on the development of the views and positions of the Department of State in politico-military problems that are under consideration in the NSC system; and finally, to exercise on behalf of the Secretary of State the responsibility for supervising the military assistance and sales programs and for licensing commercial exports at large.

POSITIONS AND FUNDS OF BUREAU

The bureau has 93 positions to be authorized by this bill. The operating funds for the bureau are in the budget for the Office of the Secretary.

CREATION OF THE BUREAU

The Bureau of Politico-Military Affairs is one of the smallest and newest bureaus in the Department. It was created in September, 1969, as a successor to a staff arm of the Under Secretary for Political Affairs.

I think it is generally felt in the State Department that we were late in adjusting to the new environment created by World War II and tended to look at problems in diplomacy in a traditional manner and very seldom delved deeply into politico-military affairs.

The Department of Defense was ahead of us in recognizing the importance of these interrelationships and set up in early 1950 a bureau which is now headed up by Assistant Secretary Nutter.

I think now we as a whole are doing a creditable job, although I think we can and should do more. We need to apply more time, attention, and resources to making officers knowledgeable and sensitive to these interrelationships between political and military affairs.

BASIC MISSION IN PERIOD AHEAD

I feel that our basic mission in the period ahead is to strengthen the capability of the Department of State to participate in the development of national security policy and our ability to bring to bear on national security and defense issues an informed and effective expression of foreign policy interests and objections. We need people with one foot firmly planted in diplomacy and foreign policy experience and the other in experience of defense issues, strategy, budgets, and hardware.

Basically, it is our conviction that defense programs should be designed to support our national foreign policy objectives and commitments, not determine them.

INTERNAL ORGANIZATION OF BUREAU

Internally, we are organized into a seven-office structure. I will just mention them, and if anyone has questions on the scope of their activity, I will be glad to go into them.

We have an Office of International Security Policy and Planning, which works on the foreign affairs aspects and implications of U.S. military strategy and defense programs, and staffs the Department of State in participating in the NSC's Defense Program Review Committee.

We have an Office of International Security Operations that deals principally with matters relating to U.S. military operations, facilities and bases abroad. It has worked on various base negotiations, on Okinawa, Spain, the current home-porting problem in Greece.

Our Office of Atomic Energy and Aerial Space Affairs is responsible for all foreign policy aspects of the military utilization of nuclear energy and space. It participates in the determination and execution of our policies regarding the deployment of nuclear weapons abroad, our nuclear test program, and the like.

Our Office of Munitions Control is the largest single organizational unit. This is the office that is responsible for conducting our export licensing program for arms, ammunition, and implements of war on the U.S. Munitions List.

Our Office of Military Assistance and Sales is responsible for supervision and direction of the Military Assistance Program under the Foreign Assistance Act and the Foreign Military Sales Cash and Credit Programs under the Foreign Military Sales Act. As director of the bureau, I have delegated to me by the Secretary the authority for supervision and direction of these programs under Section 622 of the Foreign Assistance Act, and Section 2 of the Foreign Military

Sales Act. As you know, the Department of Defense has responsibility for administering the MAP program, but we are the conduit through which policy direction flows.

Our Office of Security Assistance Planning and Analysis is our newest section. This is the office which draws up basic programs for Security Assistance Programs and staffs the Security Assistance Review Committee.

Finally, our Office of Disarmament Affairs serves as the central point within the Department for relations with ACDA, Defense, and the NSC on matters relating to arms control and disarmament. It handles the participation of the State Department in the working groups of the NSC Verification Panel and, accordingly, works on the development of the U.S. position for SALT, MBFR (Mutual and Balanced Force Reductions) negotiations, test ban issues, and other similar matters in the arms control field.

In addition, we are responsible for the management of the program of Political Advisors to Major Military Commanders; the State-Defense Exchange Program under which officers from State and Defense serve in each other's department for periods of time up to two years; the Faculty Advisor Program under which we have Foreign Service Officers serving on the faculties of the war colleges and the service academies.

As director of the bureau, I am chairman of one of the six NSC interdepartmental groups, the Interdepartmental Political-Military Group, and the only one of which is functional rather than geographic in responsibility. This interdepartmental group, like the others, performs basic studies and analyses on policy issues which are referred to it by the NSC staff or by other sources.

PRINCIPAL OBJECTIVE IN PERIOD AHEAD

Our principal objective in the period ahead is to strengthen the Department of State's voice in the analysis and formulation of national security policy by increasing the quality of our personnel and their familiarity with the policy and operational matters which are of legitimate interest to the Department. I take a broad view of what is of such legitimate interest, since there are few defense policy issues which do not have important foreign policy connotations.

ISSUES RELEVANT TO BUREAU'S RESPONSIBILITIES

Issues such as the following are relevant to our responsibilities and will continue to occupy our attention in the years ahead:

Such matters as strategic force requirements over the next decade; the objectives they should serve, then foreign policy implications; the relationship between the strategic balance and our political objectives; our tactical nuclear weapons requirements, and how these relate to our foreign policy and arms control aims; the political factors which bear on the question of the level of the forces we retain in Europe and the Far East; our base requirements in the future and the political factors which affect them.

The specific objectives that should be served by our military assistance and sales programs; how we can have more rational planning of these programs; how we can make sure our military assistance and sales efforts are in fact responsive to foreign policy objectives, and interests; and how they can avoid stimulating unnecessary arms competition.

On arms control, what should follow a first-step SALT agreement; what are the Soviet strategy objectives; how can we influence these objectives both by what we do in terms of our own military programs and our position in the SALT talks.

Also questions that may relate to our military representation abroad: does our present organization make sense; do we have too many people, too few people; are they organized the right way, and so forth.

This is only a very small sampling of the kind of questions—

The CHAIRMAN. I think you covered the field. I cannot think of anything you left out.

Does anybody else have anything to do in the State Department?

Mr. SPIERS. In all of these, the Department of State should have clearly thought out judgments. With the Defense Program Review Committee, we now have an institutional role in considering and influencing defense policy and strategy matters as they affect our foreign policy. In the new Security Assistance Program, we have an opportunity for a new look at our objectives and directions. I think an initial SALT agreement with the Soviet Union can open new possibilities for new arms control arrangements.

(Mr. Spiers' prepared statement follows:)

STATEMENT OF RONALD I. SPIERS
DIRECTOR, BUREAU OF POLITICO-MILITARY AFFAIRS
DEPARTMENT OF STATE
BEFORE THE
FOREIGN RELATIONS COMMITTEE
UNITED STATES SENATE

Mr. Chairman and Members of the Committee:

The principal functions of the Bureau of Politico-Military Affairs are four-fold: to advise the Secretary of State on issues and policy problems arising in the areas where defense and foreign policy intersect; to serve as the principal channel of liaison and contact between the Department of State and the Department of Defense; to develop the views and positions of the Department of State on politico-military problems that are under consideration within the NSC system; and to exercise on behalf of the Secretary the responsibility for supervision of the military assistance and sales programs and to control the commercial export of arms.

The personnel (93 positions) to be authorized by this Bill for the Bureau are included in the salaries and expenses appropriation within the administration of foreign affairs function. It should be noted that an additional 20 positions, reimbursable under the Foreign Assistance Act have been assigned to the Bureau in connection with my responsibilities

for Military Assistance Programs. Operating funds for the Bureau are included in the budget for the Office of the Secretary.

The Bureau of Politico-Military Affairs (PM) is one of the newest and smallest bureaus in the Department of State. It was created in September 1969 as successor of the unit that previously was a staff arm of the Deputy Under Secretary of State for Political Affairs. Prior to the fall of 1969 this staff was headed by a Deputy Assistant Secretary, a position which was created in 1961--a belated recognition of the need for the Department of State to begin to develop its own expertness on defense and politico-military issues.

In candor, the Department of State did not adjust rapidly to the new environment following World War II. Prior to that time diplomacy was carried out in a traditional manner; form was frequently as important as content; and diplomatic discourse seldom delved deeply into politico-military matters. From World War II on the international environment changed dramatically and security affairs, with politico-military issues at the core, represented the single largest concern of international

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affairs. The U.S. had military forces and installations in distant areas and had to learn to cope with the problems and issues that presented. Moreover the field of strategic theory became a respected, highly complex discipline. U.S. theorists--the Herman Kahns, the Kissingers, the Brodies, Wohlstetters and others--devised new concepts with a lexicon of their own.

Recognizing these changes the Department of Defense created an International Security Affairs unit headed by an Assistant Secretary and gathered under it distinguished civilian experts from outside of government as well as learned military officers. Other offices in OSD, most notably Systems Analysis and DDR&E, developed expertise in international affairs. Finally, the Military Services themselves, recognizing the need, devoted considerable resources to the training of their people in advanced courses at leading universities. They were right in doing so and many of us in State welcomed the expertise which DOD was accordingly able to bring to bear on politico-military issues.

Unfortunately, State's adjustment to the need for expertise in and understanding of military matters was

much slower. Indeed, while I believe the Department as a whole is now doing a creditable job, my personal view is that we can and should do more. Our Foreign Service Officers are intellectually the equal of any service in the world, but we need to apply more time, attention and resources to making those officers knowledgeable in and sensitive to the complex inter-relationship between political and military affairs. My office, PM, is of course the heart of the State effort and I believe we are doing a good job now and will get better with every passing year.

Our mission, during what is still a formative period of our development, is to strengthen the capability of the Department of State to participate in the development of national security policy and the ability to bring to bear on national security and defense issues an informed and effective expression of our foreign policy interests and objectives. In order to do this we must occupy a central bureaucratic position and have a corps of personnel with intelligence, acumen, and a deep background in matters of defense policy, hardware, strategy, and with wide contacts in both the defense and academic community: In short, we must have people with one foot firmly planted in experience in diplomacy and foreign policy and the other in the issues of strategy, budgets, hardware and the planning

side of defense.

This reflects our conviction that our defense programs should be designed to support our national foreign policy objectives and commitments, not determine them.

Internally we are organized into a seven-office structure. I would like to review briefly the responsibilities of each of these sub-units of the bureau in order to give you a sense of the variety and scope of problems with which we are involved and how we operate.

Our Office of International Security Policy and Planning works on the foreign affairs aspects and implications of U.S. military strategy and defense programs, budgets and plans, and on international security policy generally. The Director of this office represents the Department of State on the working group of the NSC's Defense Program Review Committee. The office works on many of the NSSMs with a strategic or military content and provides the State "input" into studies on such varied subjects as the requirements of our strategic posture, our tactical nuclear strategy, our policy on chemical and bacteriological warfare, and many others. The staff members have background in systems analysis, military planning, intelligence and research.

Our Office of International Security Operations deals principally with matters relating to U.S. military operations, facilities and bases abroad. It handles clearances for U.S. military ships, aircraft or personnel visits to foreign governments. It either itself handles or coordinates with the responsible geographic bureaus, base rights negotiations. It is responsible for developing independent views and judgments on our overseas base requirements. It reviews military exercises and operations overseas for their potential political impact. It has worked on and assisted in the negotiations for Philippine bases, Okinawa, Azores, homeporting arrangements in Greece, Diego Garcia and the Indian Ocean, and myriad others.

Our Office of Atomic Energy and Aerospace Affairs is responsible for all foreign policy aspects of the military utilization of nuclear energy and space. It participates in the determination and execution of our policies regarding the deployment of nuclear weapons abroad and the arrangements we may have with other governments in connection with these deployments; it is concerned with the practices and procedures designed to insure the safety and security of such weapons abroad and in transit; it coordinates our policy on the nuclear test program and our policy governing

cooperation with our allies concerning the atomic energy aspects of our mutual defense; it takes care of problems relating to nuclear transits, overflights, and visits by U.S. nuclear powered warships to foreign ports.

Our Office of Munitions Control is the largest single organizational unit. It is responsible for conducting our export licensing program for arms, ammunition, and implements of war on the U.S. Munitions List, carrying out the authority delegated by the President to the Secretary of State under Section 414 of the Mutual Security Act of 1954, as amended. It is responsible for issuing the International Traffic in Arms Regulations and for preparing the reports required by the Congress under the Foreign Military Sales Act and Foreign Assistance Act of 1971. It issues approximately 20,000 export licenses per year, coordinating with other interested government agencies. Last year the value of the material licensed exceeded $4 billion.

Our Office of Military Assistance and Sales is responsible for supervision and direction of the Military Assistance Program under the Foreign Assistance Act and the foreign military sales cash and credit programs under the Foreign Military Sales Act. This also includes acting for State

on naval ship loans, leases and sales and on the control group overseeing the distribution of excess defense articles. As Director of the Bureau, I have delegated to me by the Secretary the authority for supervision and direction of these programsunder Section 622 of the Foreign Assistance Act, as amended, and under Section 2 of the Foreign Military Sales Act. This office analyzes in State all the issues arising from these programs and handles day-to-day contacts with the Department of Defense on MAP, FMS and other arms sales actions. As you know, the Defense Department has the responsibility for administering the Military Assistance and Sales Programs. PM is the conduit through which flows the "general direction" and "continuous supervision" which the Secretary of State is required to give to these programs.

Our Office of Security Assistance Planning and Analysis is our newest section. It is responsible for formulating, in coordination with other agencies, the annual guidance for preparation of Security Assistance Programs. This staff prepares five-year planning estimates and the international security assistance Congressional presentation documents as well as in-depth country analyses on force modernization requirements and their economic consequences. It provides staff support for the new Security Assistance Program

Review Committee, which is chaired by the Under Secretary of State. When the new Coordinator for Security Assistance Affairs provided by this year's amendments to the Foreign Assistance Act is appointed, further changes may occur. This staff may then be transferred directly to the Coordinator, to whom I would be responsible for military assistance matters and to whom the supporting assistance people in AID will be responsible for economic supporting assistance.

Finally, our Office of Disarmament Affairs serves as the central point within the Department for relations with ACDA, Defense and the NSC on matters relating to arms control and disarmament. It handles the participation of the State Department in the working groups of the NSC Verification Panel and, accordingly, works on the development of the U.S. position for SALT, MBFR negotiations, test ban issues, and other similar matters in the arms control field. At least one of this staff is always a member of our SALT Delegation.

This covers the internal organization of the Bureau of Politico-Military Affairs. In addition, we are responsible for the management of the program of Political Advisers to major military commanders, in which we have a total of 18 people. We are also responsible for the State-Defense

Exchange Program, which now comprises 15 Foreign Service Officers assigned for a period of up to two years to various parts of the Defense Department and a similar number of Defense officials assigned to State. We also manage the Faculty Adviser Program under which 13 State Department officers serve as members of the faculties of the major War Colleges and of the three Service Academies.

I should mention as well that, as Director of the Bureau, I am chairman of one of the six NSC Interdepartmental Groups, the Interdepartmental Political-Military Group, and the only one of which is functional rather than geographic in responsibility. This Interdepartmental Group performs basic studies and analyses on policy issues which are referred to it by the NSC or its staff. Most of these studies are of a highly classified nature, but I should note by way of example that the basic studies leading to the President's November 1969 decisions on bacteriological and chemical warfare were undertaken in this body.

Our principal objective in the period ahead is to strengthen the Department of State's voice in the analysis and formulation of national security policy by increasing the quality of our personnel and their familiarity with the policy and operational matters which are of legitimate interest to the Department of State. I take a broad view

of what is of such legitimate interest, since there are few defense policy issues which do not have important foreign policy connotations. The tendency in the past has often been to regard too many of these issues as of ancillary interest to the Department of State. However, such issues as the following are directly relevant to the responsibilities of the Department of State, have been receiving our increasing attention in the past, and will do so in fuller measure in the future:

> What are our strategic force requirements over the next decade? What objectives should they serve? What are the foreign policy implications of counterforce and countervalue strategies, of deterrence versus war fighting? How adequate are our strategic sufficiency criteria? What is the relationship between the strategic balance and our ability to achieve our political objectives?
>
> What are our tactical nuclear weapons requirements? How do these relate to our foreign policy relationships and to our arms control aims? Does our test ban policy still satisfactorily serve our national interests? What are the political factors in judging the desirability, or undesirability, of deployment of nuclear weapons in specific locations

overseas?

What are the politico-military factors bearing on the level of our forces in Europe? In the Far East? What are our base requirements going to be over the next decade? And what are the political factors which influence these requirements and the ability to fulfill them?

What specific objectives should our military assistance and sales policies serve over the period ahead? Are we operating only on the basis of tradition and bureaucratic momentum? How can we have more rational planning of our security assistance requirements? How can we make sure that our military assistance and sales programs are in fact responsive to our foreign policy objectives and interests? How do we avoid stimulating unnecessary arms competition through our sales policy? Do we reduce our influence if we allow others to replace us as principal suppliers? Should we put ourselves in the position of substituting our own judgments on matters deemed within the sovereign prerogative of other governments? Do arms sales involve us too much in others affairs?

What are our security interests in the Indian Ocean area? Can we tamp down an arms race without jeopardizing our legitimate political interests in that area? What are the implications of Soviet activities for our interests?

On arms control, what should follow a first step SALT agreement? What are the Soviet strategic objectives? How can we influence these objectives by what we do, both in terms of our own military programs and our position in SALT? Can we afford a policy of restraint in our own strategic programs, or would this be conceding a politically dangerous advantage to the Soviets?

What should our position be on the prospects of European nuclear cooperation? Does our own nuclear test program serve objectives that are consistent with our foreign policy interests? Are these factors given sufficient and appropriate consideration in determining our testing and weapons requirements?

What about our military representation abroad? Does its present organization make sense? Do we have too many people? Are they organized in the

right way? Are they sufficiently responsive to the authority of the Ambassadors?

This is only a very small sampling of the kind of questions about which the Department of State should have clearly thought-out judgments. To deal with them effectively, we need to improve the quality of our personnel and widen their experience. We have made major strides in the past few years, but clearly more needs to be done. With the Defense Program Review Committee the Department of State now has an institutional role in considering and influencing defense policy and strategy matters which can affect our foreign policy. The new Security Assistance Program offers an opportunity for a new look at the objectives and direction of our programs. An initial SALT agreement with the Soviet Union should open new possibilities for mutually advantageous arms control arrangements. The perspective which our State Department officers can bring to these matters help ensure that they are considered from wider points of view, and perhaps even with greater objectivity. This is in the interest of the Department of State and of the entire U.S. Government.

RESPONSIBILITIES OF BUREAU AND SECRETARIES OF STATE AND DEFENSE

The CHAIRMAN. Do I understand you correctly? You feel your office is the conduit between the Secretary of State and the Secretary of Defense? The Secretary of State and the Department being responsible for the policy guidance and the Secretary of Defense carrying it out? Is that generally what you said?

Mr. SPIERS. In the Military Assistance Program, yes.

INITIATION OF MILITARY AID ALLOCATIONS

The CHAIRMAN. Does your office initiate all military aid allocations?

Mr. SPIERS. No. The allocations are made by common decision. Ultimately, the Secretary of State is the final authority in recommending to the President what the allocation should be.

The CHAIRMAN. I know. Do you initiate them? Does it start with you and proceed through your office?

Mr. SPIERS. Yes, I think you can say it starts with us.

The CHAIRMAN. It starts with you and finally ends up, the final decision——

Mr. SPIERS. Many people are involved in the process.

POWER TO VETO PROPOSED MILITARY AID OR SALES PROGRAM

The CHAIRMAN. That is right. Does your office have the power to veto a proposed military aid or sales program?

Mr. SPIERS. We can certainly object to it. Whether or not our objection would be sustained is another question.

The CHAIRMAN. Then it is finally appealed to the Secretary of State?

Mr. SPIERS. That is right.

NSC ROLE IN ALLOCATION OF AID

The CHAIRMAN. What role does the NSC play in the allocation of aid?

Mr. SPIERS. Well, the NSC process itself over all has not really been involved in this. The Security Assistance Program Review Committee is the principal interdepartmental body.

DIVIDING UP APPROPRIATION FOR MILITARY AID

The CHAIRMAN. Who, for example, decides how you divide up the $500 million Congress appropriated for military aid? Does your office start and then it goes on?

Mr. SPIERS. Yes, sir. We are in the process of doing this right now. We will make recommendations on the allocation. We will discuss these with the geographic bureaus, the Department of Defense, and make the recommendation.

The CHAIRMAN. Would it be imposing on you to ask if you would supply for the record a short memorandum describing this process for our information? I do not want to take the time now. It is too late. But we would like very much to have this so we can understand the procedure which is followed in this.

Mr. SPIERS. Yes, sir.

(The information referred to follows:)

DECISION MAKING PROCESS FOR ALLOCATING APPROPIATED MILITARY AID

(Supplied by Department of State)

Decisions on the issues involved in the furnishing of MAP, excess defense articles, and FMS credit are the products of continuous inter-departmental coordination. Security assistance policy objectives represent the thread of continuity in the process and are less subject to radical change than are specific judgments on how to implement the programs. The latter may involve conflicts between military requirements (as defined both by the US and the recipient) and political considerations, alternative views on appropriate means (e.g., grant vs. credit assistance), or other questions stemming from particular bureau of departmental perspectives. Because each issue varies in nature, duration, and importance, there can be no single procedure to deal with all the questions which arise. Most matters can be solved in normal, daily staff work; but more important issues receive formal and extensive interagency attention. Of course, the most far-reaching decisions are made personally by the President.

The President's annual security assistance budget request represents the sum of this decision-making process. In general, a number of incremental judgments will have been made by the time formal mechanisms for budget preparation come into play. These include US interests and policy objectives, foreign military requirements, conclusions as to a recipient's ability to absorb the net additional cost of new equipment, relative priorities among military assistance recipients, availabilities and cost of materiel, estimates of political effects of certain levels or kinds of assistance, trade-offs with US forces, etc. Again, most of these judgments will be known to all participants in the budget preparation and review process, as will be the positions espoused on major issues by interested departments and agencies.

Beginning in September, several formal steps occur. It should be noted, however, that those described below were institutionalized in CY 1971 coincident with the Administration's intention better to integrate the planning and management of the economic and military aid programs. These steps are:

-- State/Defense Country Program Recommendations. Country proposals are submitted in July-August by the military missions, with the Ambassador's endorsement and comments, through the Commanders-in-Chief to Washington. At this stage, they represent only initial internal working papers, not coordinated and agreed inter-departmental positions. They are reviewed in Washington by all interested agencies and State and Defense prepare their recommendations.

--Security Assistance Program Review Committee (SAPRC). State/Defense program recommendations are submitted to the SAPRC, together with staff-prepared issue papers. Chaired by the Under Secretary of State (pending appointment of a Security Assistance Coordinator), the SAPRC includes State, Defense, Treasury, AID, NSC Staff and OMB representatives. At its initial meeting, the SAPRC notes major areas of agreement and issues requiring resolution and refers the latter and the preliminary country programs to its Steering Group.

-- SAPRC Steering Group Review. This group, chaired by a senior State Department officer acting as coordinator of security assistance, contains representatives of the same offices and agencies as its parent body. Its work program, usually spread over two or more weeks, leads to detailed review of all country program aspects (including economic and political factors), program levels, refinement of policy issues, and referral of its conclusions to the SAPRC. (In 1971, the Steering Group Review supplanted the previous practice of formal OMB hearings on MAP.)

-- SAPRC Recommendations. Based on its Steering Group submissions, the SAPRC undertakes the last formal inter-departmental review of country programs for adequacy, fiscal and economic feasibility, progress toward US policy objectives, etc. In general, full clarification of the issues is sought on the basis of extended discussions. The Chairman, rather than the Committee, makes security assistance program recommendations to the Secretary of State.

-- Secretary of State Recommendations to OMB.
The Secretary, in the exercise of his statutory authority, may accept, modify, or reject the recommendations of the Chairman, SAPRC. His budget recommendations constitute the Department of State's position on security assistance programs, are transmitted to OMB for the President, and are of course subject to Presidential approval. On the latter's receipt, the security assistance country programs are incorporated as a single line item in the President's Budget request.

The process, as described above, covers all facets of security assistance--grant, excess defense articles, credits, and supporting assistance. These are not taken up as separate programs, but rather as elements common to one program. In some cases, such as excess defense articles or FMS credits, only general estimates of demand and availability are possible. Consequently, the detailed decisions on these cases are made during the fiscal year. All FMS cases are reviewed and approved by State as they are presented, within a prior agreed context on country FMS levels and kinds of equipment to be furnished. Each FMS credit is the subject of a detailed justification including not only the type of equipment for which the credit is furnished and financial terms, but also the military, political and economic rationale for the offer of credit.

Major defense articles are offered to MAP by the Military Departments when they become excess to the Departments' requirements. These offers are sent to the CINCS which report back MAP recipient country requirements for a particular article and the CINCS' recommendations on allocations of the offers. These recommendations are reviewed by a Control Group which includes State and DOD. The Group makes the final determination on the allocations of the offers.

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DECISION CONCERNING WAIVER AUTHORITY CONTINUING MILITARY AID TO GREECE

The CHAIRMAN. How, for example, is the decision made to recommend that the President use his waiver authority to continue military aid to Greece? Does this initiate in you and go up through the channels or not?

Mr. SPIERS. Yes, sir. It initiates in my office.

The CHAIRMAN. You initiated that proposal?

Mr. SPIERS. Yes, sir.

The CHAIRMAN. From there it went through the regular procedure?

Mr. SPIERS. Yes, sir. From the Secretary of State to the President with the concurrence of the Defense Department.

The CHAIRMAN. I wish we had time to go into the reasons why you initiated it, because, as you know, a number of members of the Senate do not approve of it. But I think the hour is too late. We will defer that pleasure to a later time, the decision having been made in any case.

INTERDEPARTMENTAL GROUP FOR POLITICAL-MILITARY AFFAIRS

You said you chaired a National Security Council subgroup, the Interdepartmental Group for Political-Military Affairs?

Mr. SPIERS. Yes, sir.

The CHAIRMAN. What is the membership of that group?

Mr. SPIERS. Well, the membership varies depending upon the subject under discussion. It is generally the Department of Defense, Central Intelligence Agency, ACDA when they are involved, the JCS, as well as the OSD (Office of the Secretary of Defense). I think other bodies can be added as required.

EXECUTIVE BRANCH POSITION ON CHEMICAL AND BIOLOGICAL WARFARE

The CHAIRMAN. Could I ask you about another specific matter that has been before the committee and in fact is still before the Congress? It is the proposed Geneva—what do they call it?

Mr. SPIERS. Protocol.

The CHAIRMAN. The committee, as you know, took the position that we were certainly willing, I think almost if not unanimously, to approve that. We did not reject it; we merely asked the executive branch if they would not reconsider their attitude on chemical and biological warfare. It is my understanding no decision has ever been made. It still stands there. The executive branch has neither said no they will not nor said they will. Is that not correct?

Mr. SPIERS. That is correct.

The CHAIRMAN. Is that before your shop?

Mr. SPIERS. Well, it is in the White House. Your letter went to the President on this.

The CHAIRMAN. I know, but have you been considering it?

Mr. SPIERS. Yes, we have been involved in it and no decision has been made yet.

The CHAIRMAN. Could you tell us whether you made a recommendation or not, or is that an in-house matter?

Mr. SPIERS. I think we originally supported the decisions that the President made in November 1969, and continue to do so.

The CHAIRMAN. You still feel that your interpretation of chemical and biological is correct, that it should not be prohibited?

Mr. SPIERS. Yes, sir.

The CHAIRMAN. I regret that, too, but in any case——

Senator Aiken.

DECISION TO BASE NAVAL UNITS IN GREECE

Senator AIKEN. Did your office participate in the decision to base naval units in Greece?

Mr. SPIERS. Yes.

DECISION TO SEND TASK FORCE TO BAY OF BENGAL

Senator AIKEN. Did your office participate in the decision to send the Enterprise task force to the Bay of Bengal?

Mr. SPIERS. No, sir, I was not involved.

Senator AIKEN. You were not. That was simply the military involved in that?

Mr. SPIERS. I just do not know how it was taken or who in the State Department was involved.

EXPORT LICENSING PROGRAM

Senator AIKEN. O.K. Just one other question. You state that "It is responsible for conducting our export licensing program for arms, ammunition, and implements of war on the U.S. munitions list," and, "Last year the value of the material licensed exceeded $4 billion." Can you estimate what part of that $4 billion will ever actually be shipped?

Mr. SPIERS. I think it is almost impossible to estimate it. I would say perhaps 50 percent of it.

Senator AIKEN. In many cases the issuance of these licenses is the equivalent of issuing a hunting license?

Mr. SPIERS. That is correct.

Senator AIKEN. Those licenses are granted to see if they can get orders, but you have no way of dealing with that with any degree of accuracy?

Mr. SPIERS. Until the material is shipped and the documents are returned to us from Customs, we do not know how much has actually left the country.

Senator AIKEN. I see. That is all, Mr. Chairman.

The CHAIRMAN. Senator Cooper.

Senator COOPER. No questions.

JUSTIFICATION FOR MAINTAINING MAAG'S FOR EUROPE

The CHAIRMAN. We asked Mr. Hillenbrand, I believe, about the military missions in Europe, and perhaps the question would have been better addressed to you. I am not sure that it would. There are 10 mili-

tary mission groups in Europe, although there are only two countries receiving military aid. Could you comment on that? Do you have any views about the justification for maintaining these MAAG's?

Mr. SPIERS. Yes, sir. I think there are 9 in Europe at the present time. This matter has been under review for some time within the interdepartmental Political-Military Group. This was sent us by the Under Secretary's Committee. There have been substantial reductions in the MAAG's overseas over recent years. I think as a matter of principle, my view is that MAAG's should be maintained only so long as there is an on-going military assistance program. That does not now apply in a number of cases in Europe. The Department of Defense, I think, has a different view on this, and there is some justice in their position that these offices also monitor continuing military sales program and make end-use checks required under the Foreign Assistance Act. However, they have agreed to participate in a restudy with us and I think we will be sending a team overseas in the near future to look at some of the specific places in Europe where we think MAAG's can be disestablished to see whether we can get an agreement on how residual functions will be handled.

The CHAIRMAN. In a little country like Denmark, why a military attaché? We are not opposing your having a military attaché. Why can't he look after whatever minimum sales program might develop in such a country?

Mr. SPIERS. Our view is it can be done.

The CHAIRMAN. In other words, on this we are in agreement, I take it?

Mr. SPIERS. Yes, sir.

The CHAIRMAN. I wish you luck. I don't know. Our staff seemed to think there are 10 such groups, but maybe one has been phased out. We haven't heard about it. This was as of last June 30. It is possible.

Mr. SPIERS. We have Germany, Italy, Denmark, Belgium, Netherlands, Norway, France.

The CHAIRMAN. Austria is on this list.

Mr. SPIERS. There is no MAAG in Austria.

REFUSAL OF INFORMATION TO COMMITTEE STAFF INVESTIGATORS

The CHAIRMAN. The staff will get together with you on some of these more routine questions about the nature of your operations, but this one I would like to ask you. Recently two of the staff investigators of this committee were refused access to certain information during a trip to Thailand, Laos, and Cambodia. Did your office originate the message which told the embassies if the staff investigators were to visit what they could see and not see?

Mr. SPIER. Yes, we did.

The CHAIRMAN. Would you mind telling us what criteria you follow in deciding to what information the staff of this committee will be allowed access?

Mr. SPIER. I would like to ask Mr. Pickering to talk about this. He has worked specifically on this problem.

The CHAIRMAN. All right, Mr. Pickering. We welcome your advice.

Mr. PICKERING. Senator, I think that in terms of our understanding of what material can and cannot be released to the committee, that this

is a question which I think involves long-term understanding between the executive and legislative branch. I know there are differences of view here, and this has been based on considerations that relate to such questions as the national security interest, which cleared people, I gather, on the committee are prepared and able to see, and questions that relate to the higher one that I know is also subject to differences of view on the executive level and the right of the executive branch, too.

The CHAIRMAN. I do not think executive privilege is involved here. This is not executive privilege; is it?

Mr. PICKERING. No, I am not suggesting there are any questions of executive privilege. I am suggesting these tend to determine the guidelines and criteria involved.

The CHAIRMAN. You seem to say you think there is some understanding that this committee accepts these criteria. I do not think that is correct.

Mr. PICKERING. I suggested a number of times there are possible differences of view on this.

The CHAIRMAN. There is a very deep difference of view. This committee generally thinks it is entitled to the kind of information that our staff was seeking to obtain in the field.

Mr. PICKERING. All I can say on that, sir, is when questions arise where there are differences of view, they are very carefully looked at and very carefully considered from the point of view of the subject matter in question.

MESSAGE RELATING TO MESSRS. LOWENSTEIN AND MOOSE REQUESTED

The CHAIRMAN. I wonder, Mr. Pickering, could you supply to the committee the text of the message you sent to the field relating to Mr. Lowenstein and Mr. Moose?

Mr. PICKERING. I would have to take your question back to the Department and get a view on it.

(The information referred to is classified and in the committee files.)

The CHAIRMAN. Would you most respectfully say that we would like that?

We are at least entitled to see the kind of instructions you send denying information to the staff of this committee. Do you think that is an unreasonable request?

Mr. PICKERING. No. I would be glad to take that request back. There is an assumption here that may not be correct that there is a denial in instructions. But I would be glad to take it back.

The CHAIRMAN. We don't know. I am under the impression your office initiated the messages to the field, outlining or limiting, I should say, perhaps, what information was to be made available to the staff members of this committee in the field. It is very difficult for them to be limited when they are on the ground and looking. To be told, "Well, you ask the office back in Washington," when there is then no opportunity to confer, to check or to do anything else about it, to a great extent nullifies the effectiveness of their efforts.

Now, this was not done uniformly everywhere. There seemed to be considerable variation from one post to another on this matter. But

in some instances, they did run into considerable difficulties. I wish you would very seriously consider the request of the committee to supply us with the text. We would like to come to some understanding with you about this matter, not only for right now, but for the future, because I think it is a very important matter regarding our future relations, if you like.

Senator Aiken.

Senator AIKEN. No questions.

The CHAIRMAN. Thank you very much, gentlemen.

You are in a field in which we are very interested. As a matter of fact, I hope that you do establish effective relationships with the Department of Defense. I think you ought to have the kind of policy control or influence that you indicated you think you ought to have. That is one thing. I thoroughly agree with what I understand to be your attitude in that field. On these specific policy matters, where we have difference of view, that is naturally in our system of government. I mean I do not happen to agree with your view about chemical and biological warfare; nor do I agree with you on the Greek matter. But anyway, that is another matter.

DECISION TO HOMEPORT U.S. NAVY IN GREECE

One last thing. Did you make any recommendation or were you involved in the decision to the home port of our Navy in Greece?

Mr. SPIERS. Yes, sir.

The CHAIRMAN. You recommended that, too?

Mr. SPIERS. Yes, sir, I did.

ESTABLISHMENT OF BASE IN BAHRAIN

The CHAIRMAN. Did you recommend the establishment of the base in Bahrain?

Mr. SPIERS. Well, we had homeporting arrangements in Bahrain since I think about 1954.

The CHAIRMAN. I understand the background of it, but this is a new arrangement, an agrement with Bahrain which you did not have.

Mr. SPIERS. That is correct. The only alternative would have to be withdraw the Middle East Force.

The CHAIRMAN. Are you sure that is the only alternative?

Mr. SPIERS. We had arrangements with the British for the shore support.

The CHAIRMAN. I understand.

Mr. SPIERS. If we did not have a short support facility available, it would be impossible to keep the flag ship there. Accordingly, if we were to keep it there, we had to make a new arrangement with the successor government in Bahrain.

The CHAIRMAN. I understand you are not only arranging but increasing the size of the ship and number of personnel.

Mr. SPIERS. It is going to be a more modern ship and I think the increase in number of personnel on the order of 60.

The CHAIRMAN. I do not want to burden the record. It isn't just that ship. What bothers me is the fact of our now being in the position of establishing a new naval base in an area where we have not

heretofore had one, in our name, at least, and the effect that would very likely have upon the Russians, who seem to be inclined to imitate everything we do, especially if it is costly and expensive and in the military field. And they will have one and we will each have a very expensive establishment. That is all that bothers me. I know that small matter is not going to break the country. But it begins a course of conduct which I think could be very costly.

SIZE OF COMBINED FORCES IN BAHRAIN AND MEDITERRANEAN

Senator AIKEN. Will the combined forces in Bahrain and the Mediterranean exceed in the future those that are now there?

Mr. SPIERS. No, the Middle East force will stay the same as it is. There will be a more modern flagship.

Senator AIKEN. That includes the Eastern Mediterranean?

Mr. SPIERS. They are on different sides of the canal, and the Middle East force comprises a flag ship and two destroyers rotated from the Atlantic Fleet. The size of the 6th Fleet in the Mediterranean has not increased, and the homeporting arrangement in Greece, which is essentially a matter of military convenience to keep navy families together, is not going to change the size of our presence.

Senator AIKEN. And the combined?

Mr. SPIERS. It would be approximately the same as now. There are about 45,000 people in the 6th fleet.

Senator AIKEN. Yes.

POSSIBLE ESCALATORY EFFECT OF COMMITMENTS TO GREECE AND BAHRAIN

The CHAIRMAN. I certainly do not disagree with that. I do not mean to imply that. But that does involve a different kind of commitment, both to Greece and Bahrain, which may or may not evolve into an escalatory instance. That is all that bothers me. If I had the feeling they would not inspire further escalation by Russia in themselves, they would not bother me so much. But I have seen the way it happened in MIRV and ABM's and all of those other areas.

Senator AIKEN. To my understanding, I thought it was to increase the efficiency rather than the number.

Mr. SPIERS. That is correct.

The CHAIRMAN. But it involves certain things which change the character.

Thank you very much, Mr. Spiers and Mr. Pickering. We will no doubt have further conversations with you both on assistance and procedure.

(Additional questions and answers follow:)

ANSWERS TO QUESTIONS SUBMITTED TO RONALD I. SPIERS, DIRECTOR, BUREAU OF POLITICO-MILITARY AFFAIRS BY THE CHAIRMAN FOR THE RECORD

Question 1(a). Are there any written directives from "higher authority" to your Bureau concerning guidelines on what material or information can or cannot be made available to this Committee, its staff, or other Congressional committees?

Answer. The President has twice directed the Secretary of State not to disclose documents connected with the foreign assistance program (specifically the MAP Five-Year Plans and Country Field Submissions).

There are no other written directives to my Bureau of the nature outlined in Question 1(a). However, the Secretary has orally directed that special procedures govern the provision of information concerning nuclear weapons abroad and foreign intelligence operations. These are reflected in the classified telegram of instructions to certain of our embassies abroad, a copy of which has been provided to the Committee in accordance with the Chairman's request made at the time of my testimony before the Committee.

Question 1(b). Have you issued any instructions within your Bureau concerning this matter?

Answer. I have passed on the foregoing to members of my staff.

Question 1(c). Would you please provide a copy of any instructions to you from your superiors about Congressional access and any instructions or directives that you have issued within your Bureau to implement those instructions or dealing in general with this subject?

Answer. Not otherwise applicable.

Question 2(a). Do you think this Committee has a right to know where and what kind of nuclear weapons we have stored abroad?

Answer. In the past two years, the Department of State has made a major effort to provide the Foreign Relations Committee with information about the deployments of nuclear weapons abroad and about the foreign policy implications of these deployments. As the members of the Committee will recall, I gave the Committee an extensive oral briefing on our world-wide deployments in May of 1970. The Department subsequently provided substantial supplementary information both in the form of additions to the transcript of the May 1970 hearing and in written answers to questions put later by the Committee. Most recently, Secretary Rogers has sent the Committee a classified paper outlining at length the changes which are currently being made in our deployments in the Western Pacific and analyzing the foreign policy implications of these on-going shifts.

Question 2(b). To know the details of our foreign intelligence gathering system?

Answer. The State Department is fully aware of the foreign policy implications of our foreign intelligence gathering systems, and monitors these matters closely. However, as regards transmission of the details of these systems to the Congress, we believe we should defer to the Directors of CIA, DIA and NSA.

Question 2(c). To know the details of military contingency plans prepared under auspices of SEATO or other treaty arrangements?

Answer. Military contingency plans prepared under any of our treaty arrangements do not constitute automatic commitments upon the U.S. since, by definition, each government concerned will take its own decision at governmental level as to what action it would take pursuant to its treaty commitments, and whether and to what extent it would implement any military contingency plan. In view thereof, and in light of the military and national security considerations connected with military contingency plans, and in light of long-standing practice, the question arises as to whether it would be in the public interest to disclose to the Congress the details of the contingency plans.

Question 2(d). Would you supply for the record the legal grounds the Department relies on for refusing to provide information of this nature to the Committee?

Answer. The doctine of separation of powers in the Constitution of the United States, as implemented by long-established practices, is the legal basis on which the Executive Branch ultimately would rely in any case where it declines to provide information to the Committee.

Question 3(a). Explain the significance of the Joint Strategic Operation Plan (JSOP) force goals in the context of military assistance planning.

How do NATO force goals for Greece, Turkey and Portugal figure into the planning for U.S. military assistance to these countries? Does the use of NATO force goals as a basis for military assistance plans mean that other NATO countries, who provide little military assistance to Greece, Turkey and Portugal, in effect set the levels of the U.S. military aid programs?

Answer. The Joint Strategic Objectives Plan (JSOP) is one of a number of materials used in the planning for military assistance. The JSOP establishes target levels or "objectives" for the military forces of allied and friendly nations in support of United States security interests. These objectives are developed from a purely "military" point of view. They are worked out without specific references to resource constraints, although they are considered by the Joint Staff military planners to be reasonable, attainable objectives.

The Department of State considers that the JSOP represents a list of military equipment needs with only limited consideration of economic or political factors, and consequently is of limited usefulness in overall military assistance planning. The force goals are of some value in measuring progress in building the self-defense capabilities of the concerned countries. The plan is reviewed annually in the Department of Defense against military requirements and, when completed, provided to the Department of State. The Department of State examines the plan against the background of U.S. foreign policy interests, resource availabilities, and economic implications for the countries concerned. In that sense, it provides a backdrop and overall guide for planning the military aspects of the assistance programs.

The JSOP is also used in discussions of the contributions of other possible donors, in considering the military requirements which might be met through credit and cash sales arrangements, and in allocating military priorities among and between military assistance programs for various countries. Finally, the JSOP is helpful in providing an indication of the military assessment of the proper priority between various weapons requirements in country programs.

NATO force goals are taken into consideration in the formulation of the JSOP, but the JSOP reflects primarily the force requirements needed to support the security interests of the U.S. Thus, while there is a basic similarity between the two planning baselines, they are regarded as separate and distinct military guidance documents. The JSOP represents the bilateral component of U.S. military assistance planning and, by its very nature, is treated as the primary term of reference within the Department of Defense. The JSOP and not the NATO force goals dictates U.S. military objectives with respect to bilateral assistance.

Question 3(b). How are decisions made regarding the size and character of forces (i.e., the force goals) to be supported by the U.S. in a recipient country?

Answer. The process varies from country to country. In many instances, local decisions are paramount with respect to force-goal planning and there is no U.S. decision-making process involved. This is true in countries which receive grant military assistance for "training only" purposes. It is also true in countries that rely heavily on credit and cash sales where local governments make their own decisions on their force goals.

For major grant military assistance recipients, decisions are made on a cooperative basis. The U.S. military assistance advisory groups provide technical services and advice. However, increasingly, within the framework of the Nixon Doctrine, we expect these recipients to take on primary responsiblity for making their own decisions on the size and composition of their forces. We hope and anticipate that this process will proceed in advance of these countries assuming the principal financial burden for their own defense. We are increasing the capability of our military assistance personnel to help recipient countries move in this direction by providing qualified personnel and increasing our training capabilities to assist local planners.

In sum, the basic decisions regarding force structure must be made by the country concerned, and recipient countries are increasingly moving in this direction. The decisions are then reviewed for consonance with the JSOP and other U.S. objectives to determine the levels and priorities of U.S. support for the recipient country plan.

Question 3(c). What independent capability do our embassies and the State Department have to evaluate force goal proposals of the U.S. military? How are proposals for the size of military assistance programs evaluated in terms of the overall allocation of resources, both U.S. and recipient countries, between military and civilian; (i.e., economic or developmental) objectives?

Answer. In answer to the first portion of the question, the Department of State has established a small planning staff which includes a number of highly qualified serving and retired military officers who have been involved in force goal planning. They provide an immediate, although limited, capability to review force planning. In addition, in the Embassy, the Ambassador's responsibilities extend to military assistance planning. In this connection, he has the full authority to review with the military officers assigned to his staff all aspects of military assistance planning, including the question of force goals.

With respect to the second part of the question, the President's annual security assistance budget request represents the sum of the decision-making process. In general, a number of incremental judgments will have been made by the time formal mechanisms for budget preparation come into play. These include U.S.

interests and policy objectives, foreign military requirements, conclusions as to a recipient's ability to absorb the net additional cost of new equipment, relative priorities among military assistance recipients, availabilities and cost of material, estimates of political effects of certain levels or kinds of assistance, tradeoffs with U.S. forces, etc.

Beginning in September, several formal steps occur. It should be noted, however, that those described below were institutionalized in CY 1971 coincident with the Administration's intention better to integrate the planning and management of the economic and military aid programs. These steps are:

State/Defense Country Program Recommendations.—Country proposals are submitted by the military missions with the Ambassadors' endorsements and comments through the Unified Commanders to Washington. At this stage, they represent only initial internal working papers, not coordinated and agreed interdepartmental positions. They are reviewed in Washington by all interested agencies, and State and Defense prepare their recommendations.

Security Assistance Program Review Committee (SAPRC).—State/Defense program recommendations are reviewed by the SAPRC, together with Staff-prepared issue papers. Chaired by the Under Secretary of State (pending appointment of a Security Assistance Coordinator), the SAPRC includes State, Defense, Treasury, AID, NSC staff and OMB representatives. At its initial meeting, the SAPRC notes major areas of agreement and issues requiring resolution and refers the latter and the preliminary country programs to its Steering Group.

SAPRC Steering Group Review.—This group, chaired by a senior State Department officer acting as coordinator of security assistance, contains representatives of the same agencies and offices as its parent body. Its work program, usually spread over two or more weeks, leads to detailed review of all country program aspects (including economic and political factors), program levels, refinement of policy issues, and referral of its conclusions to the SAPRC. In 1971, the Steering Group review substituted for the practice of OMB hearings on MAP.

SAPRC Recommendations.—Based on its Steering Group submissions, the SAPRC undertakes the last formal interdepartmental review of country programs for adequacy, fiscal and economic feasibility, progress toward US policy objectives, etc. In general, full clarification of the issues is sought on the basis of extended discussions. The Chairman, rather than the Committee, makes security assistance program recommendations to the Secretary of State.

Secretary of State Recommendations to OMB.—The Secretary, in the exercise of his statutory authority, may accept, modify, or reject the recommendations of the Chairman, SAPRC. His budget recommendations constitute the Department of State's position on security assistance programs, are transmitted to OMB for the President, and are of course subject to Presidential approval. (In the event of non-resolution of issues, the Secretary of Defense submits his recommendations to OMB or to the President, as appropriate.) On the latter's receipt, the security assistance country programs are incorporated as a single line item in the President's Budget request.

The process, as described above, covers all facets of security assistance—grant, excess defense articles, credits, and supporting assistance. These are not taken up as separate programs, but rather as elements common to one program. In some cases, such as excess defense articles or FMS credits, only general estimates of demand and availability are possible. Consequently, the detailed decisions on these cases are made during the fiscal year. All FMS cases are reviewed and approved by States as they are presented, within prior agreed context on country FMS levels and kinds of equipment to be furnished. Each FMS credit is the subject of a detailed justification including not only the type of equipment for which the credit is furnished and financial terms, but also the military, political and economic rationale for the offer of credit.

With regard to allocation between economic or developmental and security planning objectives, both the Administrator of AID and the Chief for Program and Policy Coordination sit in on the Security Assistance Program Review Committee meetings. Through this device, coordination between the programs throughout the planning cycle is established and the size of programs evaluated in terms of the total resources available. This is particularly true with regard to the Supporting Assistance Program which is considered also in the AID internal planning process before it is discussed in the Security Assistance Program Review Committee.

Question 3(d). Will the Department make JSOP's available to the committee on request?

Answer. Such NSC papers are considered to be internal working documents and it has been the unbroken practice of every administration to limit the distribution of NSC material exclusively to the Executive Branch. The information contained in the papers is available to the Committee in other forms and we would be pleased to provide oral briefings on the subjects and the issues involved.

The JSOP is prepared by the Joint Staff and such a request would be more appropriately directed to them.

Question (4). We understand that the Department of State provides "policy guidance" for the military assistance program but that the programs themselves are managed by the Defense Department.

(a) Does the Department of State monitor the execution of individual year military assistance programs once they are approved?

Answer. The Department of State continues to monitor the execution of individual year military assistance programs after they are approved both in Washington and in the field. The American Ambassadors abroad have been instructed by the President to direct and coordinate the activities of the United States Missions under their command and to provide positive program direction for all elements of our missions including those relating to military assistance.

In Washington, the Secretary of State has responsibility for the overall direction, coordination, and supervision of United States Government activities overseas. The Secretary has, by State Department delegation of Authority No. 104, delegated to the Director of the Bureau of Politico-Military Affairs his responsibility under section 622(c) of the Foreign Assistance Act and section 2(b) of the Foreign Military Sales Act for the continuous supervision and general direction of military assistance and military sales programs.

The Bureau of Politico-Military Affairs and the Department's regional bureaus are in continuous daily contact with their counterparts in the Defense Security Assistance Agency, Defense's office of International Security Affairs, and in the Joint Chiefs of Staff to insure that military assistance programs are being implemented so as to best secure our foreign policy objectives.

Obviously, with such large programs, it is impossible for the Department of State to monitor all aspects of the management of military assistance programs with the limited staff available. However, this staff is augmented from time to time by the Acting Inspector General for Foreign Assistance who devotes a considerable portion of his inspection personnel to reviewing and monitoring the military assistance program in the field. The objective of the Bureau of Politico-Military Affairs is directed at keeping fully familiar with all elements of the program which have potential policy implications. This includes maintenance of a careful watch on the implementation of specific congressional restrictions, the allocation of major end items of equipment under the excess and long-supply programs, and similar areas of policy concern.

Question 4(b). How was it possible that shipments of arms to Pakistan could have continued without the knowledge of the State Department and after State Department officials had assured the Congress that such aid had been stopped?

Answer. Section 2 of the Foreign Military Sales Act gives the Secretary of State the responsibility for "the continuous supervision and general direction of" sales under the Act including but not limited to determining whether there shall be a sale to a country and the amount thereof.

Section 42 of the Foreign Military Sales Act provides that the Secretary of Defense shall have primary responsibility for, among other things, "the procurement of military equipment in a manner which permits its integration with service programs" and "the movement and delivery of military end items". In April 1971, in consonance with the prevailing policy at that time, the Department of State asked that a hold be placed on the release of all foreign military sales items from Defense Department stocks to Pakistan. The Department of State received the assurances of the Department of Defense that such a hold had been instituted in DOD. Subsequently, the Department of Defense informed us that some items of equipment had been delivered from Department of Defense stocks, despite the hold which had been placed upon them. The Department of State then requested a Department of Defense review and the immediate full implemtation of the hold. The Department of Defense reassured us that this had been done and that no subsequent deliveries had taken place.

As a matter of policy, the Executive Branch did continue to allow the export of items to Pakistan under Munitions List licenses issued prior to March 25, 1971 and which remained valid. These exports continued until November 8, 1971, when all outstanding licenses were cancelled.

Under the legislation which provides for the licensing by the Secretary of State of the export of items on the United States Munitions List, there is a specific legislative exception which excludes export licensing for items delivered to a foreign government directly by a Department or Agency of the U.S. Government. (22 USC 1934)

Question 4(c). Is data on potential arms shipments, both licensed and unlicensed, readily available, and if not, how long does it take to develop the data?

Answer. Arms are shipped abroad either through the export license procedure or through their direct shipment from government-to-government without licenses. The Department of State's Office of Military Assistance and Sales approves the transfer of equipment shipped directly on a government-to-government basis; but, since the shipments are made by the military services, State does not have current or complete information on the details of the shipment.

Export licenses are required for military equipment being transferred as a result of a direct commercial sale or commercial shipment of equipment purchased on a government-to-government basis. The single exception to this rule is the export of a number of unclassified munitions list items to Canada (See International Traffic in Arms Regulations, Section 123.12).

In the case of direct commercial sales, State does not normally become aware of the potential export until an application for an export license is received. Sales of materiel under the Foreign Military Sales Act are approved by State prior to the application for an export license. In both instances, data on individual licenses are readily available. At present, the data must be manually processed. Thus, the time to develop and compile it will vary depending on the amount of data to be assembled. We are in the process of establishing an automated system for all licensing transactions after January 1971. This data bank should be current in 1973, thereafter the time required for developing data will be substantially shorter.

The Department of State supervises sales of arms under the Foreign Military Sales Act (FMS). The Department of State has approved the sale of military equipment directly by the US military services to most developed nations without the need for case-by-case approvals by State. Foreign military sales cases for developing nations are approved on a case-by-case basis by State upon receipt of a formal request by the potential purchasing government. There are two types of these requests. The first is for specific items of equipment; the second is for open-end sales cases up to a predetermined dollar amount for the purchase of spare parts and ammunition for equipment already in the inventories of the purchasing country.

The request for FMS purchases are examined in State; are approved in writing and sent to Defense. A Letter of Offer and Acceptance is issued by Defense which the potential purchaser may accept or reject. An acceptance constitutes a contract for purchase.

The Department of State maintains case-by-case records of approvals of requests to purchase military equipment under the Foreign Military Sales Act. These are filed by country and go back to enactment of the Foreign Military Sales Act and assumption of the FMS sales responsibility by State in 1968. None of the data is automated and information must be manually extracted. It is readily available on a country-by-country basis, but it would be time-consuming to compile the information by equipment categories.

Question 4(d). Will this data reflect shipments already made, i.e., show materials still subject to shipment, or will it only be able to provide a listing of valid licenses, regardless of whether or not shipments have been made against them?

Answer. The Office of Munitions Control can provide data on both outstanding valid licenses and actual exports under licenses, subject to a lapse of up to one month between date of actual export and receipt by the Office of Munitions Control of shipping information from Customs. Response time is subject to the same considerations outlined in the answer to previous question.

Foreign Military Sales approvals granted by the Department of State represent only potential sales. After the potential purchasing nation examines the price and availability data prepared by Defense, it may decide not to purchase defense articles already approved by the Department of State. The Office of Mili-

tary Assistance and Sales can provide current information on Foreign Military Sales approvals, but only Defense has current records of completed FMS sales transactions.

Question 4(e). In addition to actual export of materials from the US, there are manufacturing agreements subject to Departmental control which provide for foreign manufacture of US-origin items. In implementing new policies, as in Pakistan last year, what actions are possible in regard to terminating these agreements or restricting the area in which sales can be made?

Answer. Manufacturing license agreements are generally consummated by American industry with foreign entities in industrialized countries. Such agreements may provide for sales of the foreign-manufactured articles in third countries. In administering the munitions export program, State requires that agreements delimit the sales territory (third countries) and provide for terminating or limiting the agreements at the US Government's option. The applicable provisions are contained in 22 CFR 124.10 (e) and (k) which require statements in the agreements as follows:

"(e) This agreement is subject to all the laws and regulations, and other administrative acts, now or hereafter in effect, of the U.S. Government and its departments and agencies."

"(k) Specific identification of the countries or areas in which manufacturing, production, processing, sale, or other form of transfer is to be licensed."

Subparagraph (e) is binding on the foreign Licensee to terminate shipments to any country in the specifically authorized sales territory when meeting the requirement of subparagraph (k) when either the Licensor or U.S. Government (depending on the agreement's wording) so notifies the Licensee.

If an agreement has been authorized between an American Licensor and a foreign Licensee in a country whose activities subsequently become offensive to the U.S. Government, State may require the Licensor to terminate his agreement in accordance with subparagraph (e) quoted above. Should this happen, however, and the Licensee has all the technical data to continue manufacturing the licensed article, and there may be no effective way to stop his manufacture of the produce except through suit by the Licensor. The US could also request the foreign government to have the Licensee cease manufacture, but if the article is vital to the government's defense needs it might ignore the US Government's request.

[Note.—There were and are no manufacturing license agreements between US industry and any entity in Pakistan for articles on the US Munitions List.]

Question 5. How does the number of people in your Bureau compare with the number of people attached to the Office of the Assistant Secretary of Defense for International Security Affairs or who work in the area of international military affairs generally in the Department of Defense?

Answer. The Bureau of Politico-Military Affairs has a total of 129 positions. This total includes 18 in the Political Adviser (POLAD) program serving with Unified and other major military commanders in the U.S. and overseas, 13 Faculty Advisers to the military colleges and service academies, and 15 Foreign Service Officer positions in the State Department-Defense Department Exchange Program (effective January 31, 1972). With the exception of six military exchange officers received in return for Foreign Service Officers in the Exchange Program and serving in the Bureau of Politico-Military Affairs, the positions ennumerated above are not a direct part of the Bureau's Washington working force. The working force is therefore about 80 positions and this compares with the Office of the Assistant Secretary of Defense for International Security Affairs which has a total of 304 positions, including 71 positions in the Defense Security Assistance Agency and 15 military officers in the Exchange Program. Other elements of the Department of Defense also work in the area of international military affairs depending upon how that term is defined. You may wish to request more detailed information relating to personnel serving in such areas directly from the Department of Defense.

Question 6. You state that you are Chairman of the Interdepartmental Political-Military Group and that this group "performs basic studies and analyses on policy issues which are referred to it by the NSC or its staff."

(a) Would you list the studies and analyses that have been made by this group in the last two years?

(b) Will you make copies of these studies and analyses available to the Committee on request?

Answer. PM has prepared or contributed to over 40 interagency studies requested by NSC Study Memoranda in the last two years (i.e. since April 1970). These have covered a wide range of topics among which were:

The Mediterranean
Defense Budget
Mutual Balance Force Reductions
The Middle East
Indian Ocean
CBW
NATO
SALT
Nuclear Issues
European Security Conference
US–USSR Relations

The answer to question 6(b) is the same as the answer to the question concerning JSOP's.

Question 7. What are the Athens Guidelines?

Answer. During his May 1970 appearance before the Foreign Relations Committee, in the course of sketching in the history of U.S. nuclear deployments in NATO Europe, Mr. Spiers outlined and explained the Athens Guidelines. Should the Committee desire to review that presentation, the Department would be pleased to arrange to deliver the transcript to the Committee staff.

mittee, in the course of sketching in the history of U.S. nuclear deployments in

Question 8. You state that your Bureau handles the programs that have 18 "Political Advisers" to military commands, 15 Foreign Officers on loan to the Defense Department, and 13 faculty advisers to military colleges and academies. Does this indicate a surplus of high ranking officers with no meaningful jobs for them to fill? How do you go about choosing people for these slots?

Answer. The Political Adviser Program, the State-Defense Exchange Program, and the Faculty Adviser Program have been developed to respond to the clear need for improved relations between the Departments of Defense and State. They have each been studied separately by the Subcommittee on National Security and International Operations of the Senate Committee on Government Operations. Committee prints are avialable on each of these studies, which were made pursuant to Senate Resolution 24 of the 91st Congress. The findings of these studies strongly support the programs. Additionally, the Department of State in 1970 completed two management studies, one unclassified and one classified Secret, on the political military functions in the Department of State which addressed these three programs and found them to be of significant value to the Department. The assignments of Foreign Service Officers to these programs do not indicate a surplus of high-ranking officers. Rather the programs are responsive to significant national security requirements. Officers are selected to fill these slots following normal assignment procedures of the Department of State, which take into account the experience and interests of each of the officers considered as matched against the requirements of each position.

The CHAIRMAN. The next witness is Mr. Ray S. Cline, Director, Bureau of Intelligence and Research, accompanied by Mr. William C. Jones, Executive Director.

STATEMENT OF RAY S. CLINE, DIRECTOR, BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE; ACCOMPANIED BY WILLIAM C. JONES, EXECUTIVE DIRECTOR

The CHAIRMAN. Mr. Cline, we are very pleased to have you today. Do you have a statement you would like to put in the record?

Mr. CLINE. If I have your permission, I prefer to place the statement in the record and make a few remarks about it.

The CHAIRMAN. That would be fine. You certainly may.

Mr. CLINE. Also, may I have permission to have Dr. Plattig, who is in charge of the Office of External Research in my bureau, join us at the table?

The CHAIRMAN. We are very pleased to have you.

CREATION AND FUNCTIONS OF BUREAU

Mr. CLINE. The Bureau of Intelligence and Research is one of the newer bureaus in the State Department. It was created in 1946 at the end of the war. Its function is to furnish information and analyses for the Secretary of State, concerning basic trends in foreign affairs. It is also to provide the Secretary of State and senior officers of the Department with a coherent global view of what is going on abroad that affects our foreign policy and our diplomatic relations. We work closely with other intelligence agencies, drawing upon their resources for data and the analysis of events, and we exchange the output of our staffs with one another.

The Bureau of Intelligence and Research has two primary functions. First we provide the substantive intelligence to the Department which it needs, and, conversely, provide to the other members of the intelligence community information from the State Department which assists them in their analysis of developments abroad. Our second function is to serve as the action office within the Department of State for the coordination of sensitive intelligence operations abroad.

The CHAIRMAN. Is that all of them, or just yours?

Mr. CLINE. All of them.

The CHAIRMAN. It is for the community?

Mr. CLINE. For the community. We coordinate for the Department of State the operations, sensitive operations, of other agencies.

My bureau conducts no intelligence operations overseas, Mr. Chairman. We are an analysis and research organization. In this coordination field, we are in liaison with the FBI on all intelligence matters other than personal security, and also with the Central Intelligence Agency, the Defense Intelligence Agency, and the rest of the members of the intelligence community. I represent the Department on the United States Intelligence Board, which is chaired by the Director of Central Intelligence, Mr. Helms. Members of my staff represent the Department on all of the committees and subcommittees of this board, which work on programs and priorities in the many fields of collection and analysis of intelligence.

I wanted to mention specifically that our bureau conducts for the Department of State, an external research program. We have a staff which monitors, coordinates and supports the nongovernmental research on foreign areas and foreign policy problems funded by the Federal Government. The thrust of our effort in this field is to seek out private research in the social and behavioral sciences which can bring useful information to bear on our foreign policy, including social, political, economic, and psychological studies of contemporary developments in foreign countries. And, of course, we bring these studies to the appropriate government officers' attention.

In this way, we supplement our basic in-house staff capacity to give the Department of State a solid data base on which to build its policies and to guide conduct of its diplomatic operations.

I think that is a summary of our task, Mr. Chairman.

(Mr. Cline's prepared statement follows:)

Mr. Chairman and Members of the Committee: INR was created in 1946 to furnish information and analysis for the Secretary of State on basic trends in foreign affairs that would parallel the traditional work of the policy bureaus of

the Department and to do so independently of bureaus whose central focus is formulation of policy rather than a coherent global view of what is happening abroad. INR works closely with other intelligence agencies, draws upon their resources for data and analysis of events, and exchanges output with them. Primarily, however, INR gears its output to the specific needs and responsibilities of the Secretary of State and his principal assistants.

We have two primary responsibilities:

(1) To provide substantive intelligence to the Department and to the intelligence community.

(2) To serve as the action office, within the Department, for the coordination of sensitive intelligence operations here and abroad.

In the substantive intelligence field, our principal focus is on the production of "policy oriented" research. Thus, the work is timely and focused on current problems. We believe that intelligence officers should be sensitive to issues of policy and need not necessarily sacrifice objectivity if their work meshes closely with officials dealing with real foreign policy issues. Through a close working relationship between INR and other officials in the Department—beginning with my regular contacts with the Secretary and expanding it all levels throughout the Department—we maintain a consistent awareness of the key problems facing the policy officials and adjust our priorities accordingly.

In the coordination field, we are in liaison with the FBI on all intelligence matters other than personnel security, with the CIA, the DIA and other agencies in the intelligence community. Secondly, we represent the Department on the United States Intelligence Board and on all of its committees which work on programs and priorities in the many fields of collection.

The Bureau of Intelligence and Research is organized into segments reflecting its two principal responsibilities. Offices of research and analysis concentrate on regional problems of concern to the Department's regional policy bureaus a swell as politico-military, scientific, and other functional matters. The coordination activities are carried out by a small staff under the direction of the Deputy Director for Coordination (DDC).

As the Director of INR, I rank with the Assistant Secretaries who head other bureaus. I regularly participate with the Assistant Secretaries in staff meetings conducted by the Secretary and the Under Secretary, and have further a direct personal responsibility to the Secretary as his senior adviser on intelligence matters. I represent the Department of State on the United States Intelligence Board, thereby providing a close link between the Department and the work of the rest of the intelligence community. As a substantive aspect of this responsibility, I make available to the Secretary the most essential current intelligence from all segments of the community; and we provide for the Secretary at least weekly a private, all-source global intelligence briefing that can be tailored to the primary needs and problems of the Secretary for that particular period of time.

For the production and presentation of intelligence, INR has no overseas arm and no independent collection capability. Rather, for its briefings, analyses, and research it draws upon the same body of intelligence information available to all other segments of the community: Foreign Service reporting: information collected by CIA, the Defense Intelligence agencies, and the FBI, FBIS; and the press. INR's Communications Center has a dual function. Aside from serving the information needs of INR's own personnel, it is the distribution center for the entire department for intelligence reports received from other agencies.

In addition to all-source briefing of the Secretary, INR provides similar individualized briefings each day for the Under Secretary, the Under Secretary for Political Affairs, and the Deputy Under Secretary for Economic Affairs. Each of these briefings comprises a distillate of worldwide current intelligence from the entire community and from open sources, along with interpretive comment, and each is tailored to the immediate needs of the officer being briefed. Comparable, but more narrowly focused intelligence briefings are also conducted at other levels in the Department throughout the day.

The Office of Current Intelligence (INR/RCI) maintains a 24-hour watch center for the receipt of sensitive intelligence information, provides facilities for screening, processing and disseminating it under requisite security safeguards Within this center are electrical communication facilities, including the Department's primary CRITICOM terminal. This watch service, backed up by other appropriate officers of INR when necessary, assures timely alerting of Department Officers on urgent intelligence items and gives them speedy access to the items and to INR's own comments and studies on the subject.

We also are the action office within the Department on all questions dealing with sensitive intelligence activities conducted by the Department of Defense, the Central Intelligence Agency, and the Federal Bureau of Investigation (other than personnel and physical security). In meeting this responsibility, INR works closely with each of the policy bureaus, the Deputy Under Secretary for Political Affairs, and the White House. The matters dealt with are diversified, highly sensitive, and potentially of great significance to the conduct of foreign affairs.

INR serves also as action office for slightly less esoteric interdepartmental relationships. Included in the non-clandestine field are such matters as the Defense Attache system and staffing; enforcement by the Justice Department of the Foreign Agents Registration Act; overseas procedurement of maps and publications; participation in intelligence coordinating committees that guide and set priorities in fields like aerial reconnaissance and defectors.

We do all of our activities with 324 personnel funded from the Salaries and Expenses Appropriation but this position total does not reflect the imminent reductions we must take prior to June 30 in keeping with the President's request for a reduction in federal employment.

INR through its Office of External Research (XR) has a number of distinctive supportive, liaison, coordinating, and monitoring functions relating to non-governmental research on foreign areas and foreign policy problems. One central function is to make available to INR and the Department the relevant research capabilities and findings of personnel and programs located outside the Government. It does this by collecting and disseminating research papers and reports; by arranging for outside experts to work with the Department as consultants, discussants, conferees, and seminar leaders; and by a small program of our own contract research.

In its major coordinating role, XR provides the staff to support the Interagency Subcommittee on Foreign Affairs Research (USC/FAR) which is comprised of thirteen (Member and Observer) agencies chaired by the Director of INR. The following functions have been assigned to the USC/FAR: (a) to develop a Foreign Affairs Consolidated Research Plan; (b) to recommend joint funding of projects and programs; (c) to collect and disseminate information on research and improve utilization of research results; and (d) to arrange interagency working group consultations. Finally, in its major monitoring role, XR provides the staff for the Department of State's Research Council (DSRC) chaired by the Director of INR. Guided by a Presidential directive to the Secretary and by the agreed procedures of the DSRC, XR officers review a large number of research projects and related activities of other agencies and prepare for Research Council approval the Department's clearance or make suggestions which will minimize any adverse effect of the proposed research on our foreign relations.

Let me now speak specifically and in more detail about the work of the Office of External Research within INR.

The Office of External Research works to develop and maintain a steady exchange of information and ideas between Government officials, both researchers and policy-makers, and private scholars engaged in research on foreign affairs. It identifies the State Department's external research needs and seeks to meet them through the use of contractors and consultants, encouragement of private research, and various information and documentation services. It develops cooperative effort in the contract research activities related to foreign affairs of other Government agencies and provides leadership in the coordination and improvement of such research. Serving the external research needs of the Department, the Office works closely with AID, USIA, ACDA, DoD and other agencies to promote fruitful government-academic relations in the research area.

The main thrust of our whole effort is to seek out private research in the social and behavioral sciences which can bring useful information to bear on the conduct of American foreign policy, including social, political, economic and psychological studies of contemporary developments in foreign countries, and to bring these studies to the attention of appropriate government officers.

Other Bureaus in the Department of State and other agencies concerned with foreign affairs have used the INR Office of External Research services to maintain contact with the academic world.

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Among other things, INR maintains, on behalf of the USC/FAR, a project reporting service and information clearinghouse for government research contracts on foreign areas and international affairs. It provides the only central catalog of all government contracts in these fields and publishes annotated inventories of Government-sponsored research on foreign areas.

Additionally it maintains the Foreign Affairs Research Documentation Center to identify, collect and disseminate both the reports produced under Government-sponsored research contracts and papers related to foreign policy produced by private research. It lists newly acquired documents in a monthly compilation that is circulated widely throughout the government and to selected scholars, research centers and libraries. Each month the Center fills over 1,400 requests for papers from the Department, other agencies, and Foreign Service posts.

And finally the office participates in, and reports on, the proceedings of professional associations relating to foreign affairs. It maintains liaison with universities and foundations, research organizations and private scholars in order to identify and utilize private research resources in support of the research program of the Department and other agencies with foreign policy interests.

INR is requesting $7,309,900.00 for FY 1973 for the Administration of Foreign Affairs and under the Salaries and Expenses Appropriation. Of this total, $6,204,800.00 will be applied to salary costs for our 324 personnel, $905,100.00 will cover our miscellaneous operating expenses, which includes our present Foreign Affairs External Research Program. The remaining $200,000.00 will be for a modest expansion of our Foreign Affairs External Research Program.

Mr. Chairman, this completes my presentation but I would be pleased to answer any questions or clarify any points you or the members of the Committee might have.

(Committee staff note: The following table provides additional material about the activities of the Bureau of Intelligence and Research:)

BUREAU OF INTELLIGENCE AND RESEARCH—SUMMARY, DOMESTIC

	1971 actual		1972 estimate		1973 estimate		Increase	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	324	$5,628,195	324	$5,679,919	324	$5,679,919		
Estimated net cost of permanent American employment (central American salary account)[1]		5,907,745		6,222,100		6,204,800		−$17,300
Operating expense funds managed by this office		704,841		905,100		1,105,100		+200,000
Total		6,612,586		7,127,200		7,309,900		+182,700

EXPLANATION OF DECREASE AND INCREASES	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decrease: Extra day's pay		−$45,700	11			
Increases:						
Within-grade salary increases		+28,400	11			
Improved support					+$200,000	54
Total increases		+28,400			+200,000	
Net increase/decrease		−17,300			+200,000	

[1] In addition to salary costs includes retirement, health benefit, and life insurance contributions; terminal leave; and similar costs.

RESEARCH PROGRAMS IN SOCIAL AND BEHAVIORAL SCIENCES

The CHAIRMAN. That last item you mentioned reminded me of quite a discussion I had once about the Defense Department's research programs in the social and behavioral sciences all scattered around the world. They seemed to have many more of those projects than you have.

Mr. CLINE. Mr. Chairman, I am doing my best to change that. It is a slow process. We have increased our efforts in this field materially in the past two years since I have been director of the bureau.

The CHAIRMAN. It strikes me those studies are much more relevant to your responsibilities than they are to those of the Department of Defense. Anyway, that is neither here nor there. You are familiar, I guess, with those discussions?

Mr. CLINE. Yes.

INFORMATION PROVIDED BY BUREAU

The CHAIRMAN. I understand you are an analysis operation. You do not gather information. You do not have any sleuths around eavesdropping around the world on everybody; do you?

Mr. CLINE. That is correct. The information which we provide is that which comes from our political and economic officers abroad.

INFORMATION GATHERED BY OTHER AGENCIES

The CHAIRMAN. Does the information gathered by the other agencies, such as NSA and CIA and the DOD and so on come through your office and you are supposed to subject that to your analytic powers? Is that what happens?

Mr. CLINE. In most cases. In many cases, of course, the information is of such a directly useful nature that it requires no analysis, in which case we simply distribute it to the proper levels of officials in the Department to use it.

BASIC TRENDS IN FOREIGN AFFAIRS

The CHAIRMAN. You said "information and analyses of basic trends in foreign affairs." What do you mean by "basic trends in foreign affairs"?

Mr. CLINE. I mean those which are of more than day-to-day concern to our diplomatic operations. Naturally, if we are conducting a negotiation abroad, the officers in the Department who are dealing with the problem would be very alert to the day-to-day conduct of those negotiations. But on the background thinking of the people with whom we are negotiating, the situations in the countries which we are negotiating about, we would attempt to keep a historical continuity and interest in them and project what we know into the future, so as to make a reasonable estimate of what the United States is up against.

BUREAU'S RELATION TO POLICY PLANNING STAFF

The CHAIRMAN. You sound very much as if you are describing the work of the Policy Planning Staff. What is your relation to that Policy Planning Staff?

Mr. CLINE. I think we are a parallel organization, in that our responsibility is not to recommend or to make policy. Our responsibility is to give an objective, very carefully considered description of the present situation and analysis of the trends which are likely to be present in the future. The decision as to what to do about those trends, how to conduct the U.S. foreign policy, is the work of the operational bureaus and the Policy Planning staff.

BACKGROUND INFORMATION SUPPLIED FOR PRESIDENT'S TRIP TO CHINA

The CHAIRMAN. I wonder, in the recent trip of the President and his associates to China, did you supply him with a thorough going analysis of the attitude, background, and everything else you could, of Mr. Chou En-Lai, and Mr. Mao Tse-Tung, and the history of that situation? Did you do that?

Mr. CLINE. My staff made a substantial contribution to this kind of background information on the trip. Yes, sir. We supplied it to our representatives on the team, of course.

COLONEL BARRETT'S BOOK ON DIXIE MISSION

The CHAIRMAN. In that connection, have you ever read Colonel Barrett's book on the Dixie Mission?

Mr. CLINE. I have. I am afraid it is a long time ago. I do not remember it very well.

The CHAIRMAN. It was only published last year.

Mr. CLINE. I don't remember the thrust of it.

The CHAIRMAN. I wondered if you had. It was a rather interesting one. Do you know who Colonel Barrett was?

Mr. CLINE. I don't know him.

The CHAIRMAN. Are you familiar with that mission in 1944?

Mr. CLINE. You will have to refresh my memory.

The CHAIRMAN. Colonel Barrett was on General Stilwell's staff and was the head of the mission that was sent to Yenen to be with and to study and to obtain information from the communist headquarters. It is a fascinating little booklet. It is only about 100 pages, I think. I thought maybe it came within your purview in the study of the background of the Chinese.

Mr. CLINE. I think it is one of many books on my bedside table.

The CHAIRMAN. I recommend it if you are interested in that area.

OTHER AGENCIES ENGAGED IN BUREAU'S KIND OF ANALYSIS

As I said, the way you described it reminds me of the Policy Planning Staff. You explained that, I think. Do you think there are many other agencies engaging in this same kind of analysis?

Mr. CLINE. Not many, but there are comparable staffs in other agencies. The main analytical work in the intelligence field which is comparable to ours is done by the Central Intelligence Agency. However, our point of view, our concern to develop that information and those ideas which are useful to foreign policy and to the Secretary of State in particular, differentiates our work. We are a specialized part of the intelligence community, an analytical staff concentrating on political and foreign policy areas.

GOVERNMENT SPENDING ON GATHERING AND ANALYZING INTELLIGENCE

The CHAIRMAN. Mr. Cline, could you estimate for the committee how much is spent throughout the Government in gathering and analyzing for intelligence?

Mr. CLINE. Yes, sir. There are a number of ways of keeping the books on this, as you might imagine, but I would be willing to hazard a horseback estimate that it is on the order of $3 million.

The CHAIRMAN. $3 million.

Mr. CLINE. Billion.

The CHAIRMAN. That is a very low estimate, the lowest I have heard. Did you understand the question? When we attempted to put a ceiling of $4 billion on it on the floor, the Chairman of the Appropriations Committee and his colleagues raised cain. I could not imagine why they would if they were only spending $3 billion.

Mr. CLINE. It has been a little higher than that, and there are activities which could be included which are not in my view properly part of the intelligence budget, which would make the figure higher. Obviously, this is a subject the Director of Central Intelligence is primarily responsible for.

The CHAIRMAN. Under the direction of the Director of the Office of Management and Budget, we are told to look to you and not CIA about these matters. We have to ask you about these matters. We no longer can ask those people anything. At least, we cannot ask them and expect to get an answer. I appreciate it and after you have thought about it, if you would care to, I would like to have a memo on that subject because it is one that eluded us.

(The information referred to follows:)

GOVERNMENT SPENDING ON GATHERING AND ANALYZING INTELLIGENCE (SUPPLIED BY DEPARTMENT OF STATE)

I have carefully considered my response and the $3 billion order of magnitude figure given, and after consultation with appropriate sources, my information and testimony, as indicated, is appropriate.

COMMITTEE ACCESS TO ANALYSES OF FOREIGN INTELLIGENCE

Do you think this committee should have access to the analyses of foreign intelligence?

Mr. CLINE. Insofar as this would not, in the judgment of people responsible for protecting sources and methods of intelligence gathering, jeopardize those sources, I think it should.

PUBLISHED LISTS OF RESEARCH AND ANALYTIC PRODUCT

The CHAIRMAN. Does the bureau publish a list of its research and analytic product?

Mr. CLINE. Yes. We publish several different lists. Of course, as you are aware, sir, intelligence is distributed under a variety of classifications, according to the sensitivity of the data described in them. But we do keep a list of what we produce, and I believe a certain number of our reports are made available to the Congress.

The CHAIRMAN. I was going to ask you if you could furnish these to this committee, so we can see the type of research and analytical

products you have. If you could furnish these to the committee at a later date, not right now.

Mr. CLINE. We have presented the unclassified material. We do that regularly. The classified material, of course, we would present in a separate communication.

The CHAIRMAN. We will get together with the staff. I would think that this would be the type of thing we would probably like on a regular basis, whenever it is available. It would be very useful to us.

(The information referred to follows:)

RESEARCHED AND ANALYTICAL REPORTS PRODUCED BY INR
(SUPPLIED BY DEPARTMENT OF STATE)

INR regularly produces four categories of research and analytical reports. They are: (1) Research Studies, which usually involve extensive research and sometimes present complicated material and analysis; (2) External Research Studies, which are similar to the RS's described above, but are produced by INR consultants and contractors for the Department of State under its External Research Program; (3) Intelligence Notes, which are short—sometimes tentative—assessments of significant current and developing situations, and (4) Miscellaneous Special Reports, which are usually long studies printed and distributed directly by the Government Printing Office. In this category is included the annual publication *World Strength of Communist Party Organizations.*

Aside from this periodical, titles chosen for INR reports and the total number of releasable papers produced in each category follow no set pattern from year to year, but vary to reflect changes in international developments and the needs of Department officers who participate in the decision-making process. Attached is a list of unclassified INR reports produced in 1971. Titles of other reports that were forwarded to the Committee during the year cannot be furnished on an unclassified basis.

INR STUDIES

JANUARY 1971–DECEMBER 1971

The Multinational Corporation and National Sovereignty. January 22, 1971.

Implications for the United States of Possible EC Monetary Developments. March 5, 1971.

Economic Growth of OECD Countries, 1960–1970. May 28, 1971.

NATO Countries Trade With Warsaw Pact Countries, 1966–1970. June 14, 1971.

Controlling Private Short-Term Capital Outflows From the United States. June 15, 1971.

The Future of the Asian Development Bank. June 29, 1971.

The Preferential Agreements Between the European Economic Community and Tunisia, Morocco, Spain, and Israel: Implications for US Commodity Exports. July 19, 1971.

Trade Patterns of the West, 1970. July 27, 1971.

Multinational Production Consortia: Lessons from NATO Experience. August 1971.

Diplomatic Relations of the Republic of China and the People's Republic of China. August 27, 1971.

Educational and Cultural Exchanges Between Communist and Non-Communist Countries in 1970. August 30, 1971.

Communist States and Developing Countries: Aid and Trade in 1970. September 22, 1971.

The Planetary Product in 1970: Preliminary Tables. October 1, 1971.

National Academy of Sciences' Study *Rapid Population Growth* Provides Guides for Policymakers. October 6, 1971.

A Reconnaissance of the Foreign Trade Adjustment Assistance Problem for the United States. October 12, 1971.

Soviet Diplomatic Relations and Representation. November 8, 1971.

Nationalization, Expropriation, and Other Takings of United States and Certain Foreign Property Since 1960. November 30, 1971.

Diplomatic Relations of the Republic of China and the People's Republic of China. December 1, 1971.

Impact of Economic Nationalism on Key Mineral Resource Industries. December 17, 1971.
All Geographic Notes and papers in the International Boundary Study series.

DEPARTMENT'S MAINTENANCE OF POLICY GUIDELINES TO INTELLIGENCE COMMUNITY

Is the State Department able to maintain normal policy guidelines to the intelligence community, especially in the area of clandestine operations?

Mr. CLINE. Yes, sir.

IS DEPARTMENT ALWAYS INFORMED OF CLANDESTINE OPERATIONS?

The CHAIRMAN. Is the State Department always informed of clandestine operations?

Mr. CLINE. When they are of a nature to create any political risk to the successful mission of the diplomatic establishment abroad. That does not mean we follow every intelligence operation. But whenever there is any threat of its being a matter which might endanger or compromise our general foreign policy objectives, we would expect to be informed.

The CHAIRMAN. I was of the impression that at the time of the Bay of Pigs the State Department exercised little if any influence and that it was wholly CIA's operation.

Mr. CLINE. Mr. Chairman, I had the good fortune to be overseas during that episode.

The CHAIRMAN. I did not mean to be personal. It was an institutional observation.

Mr. CLINE. I think you are correct.

The CHAIRMAN. That was certainly my impression about it.

Mr. CLINE. Except at the very senior level. The Secretary of State knew about it.

The CHAIRMAN. Are you kept apprised of the operations in which the military intelligence engages and knows about? Do they inform you, do you think, about all of those operations?

Mr. CLINE. In a general way. We have a close liaison with the agencies conducting those operations. They explain to us what their programs are as in the case of Central Intelligence Agency's operations. We do not try to pass on each one.

The CHAIRMAN. This is going back into history, but that is all I can do. I was under the impression that the State Department was probably not aware of the rather involved intelligence gathering operations at the time of the Gulf of Tonkin incident. That was entirely within the Defense Department. If the State Department knew about it, it did not appear in the record. It appeared to be wholly a Naval and Defense Department activity.

Mr. CLINE. I think it is a little more complicated than that.

The CHAIRMAN. It was complicated all right. In fact, the Secretary of Defense denied that they knew anything about what is called Operation 34A, if you read the books on it, which later became a very questionable statement.

Senator AIKEN.

Senator AIKEN. Mr. Chairman, first I would like to say that Senator Cooper had to leave the Committee room a few minutes ago, and had planned to ask the very same questions relative to the reports which have been asked by the Chairman. It simply goes to show great minds run in the same channels. We hope you can give us some information relative to the reports on these studies.

CLEARING SENDING MILITARY ATTACHÉS ABROAD

I have two or three questions. Does your office clear or otherwise approve sending military attachés abroad?

Mr. CLINE. Yes, sir.

Senator AIKEN. You clear that?

INDICATION THAT BUREAU WAS SPARED PERSONNEL REDUCTION

Five or six weeks ago, I think, a news story appeared and in this story, it indicated you had been spared major reduction in personnel, which was applied to other agencies.

Mr. CLINE. I do not believe that is quite right, Senator. The story, as I recollect it, said that we had been spared a cut which was proposed. We did in fact take a cut, which was on the same order as other agencies took. We were spared from a proposition that we take an even larger cut.

Senator AIKEN. Then you are required to make a cut in personnel?

Mr. CLINE. We were required. The budget figures which we have presented are those which we had anticipated and they will be reduced, the staff positions will be reduced by 11 percent.

Senator AIKEN. It goes to show you can't believe everything you read in the paper.

FOREIGN SERVICE OFFICERS ON BUREAU'S STAFF

Evidently you are familiar with this story as it appeared. The report also stated your bureau is staffed preponderantly with Foreign Service officers.

Mr. CLINE. Our effort is to staff the bureau 50 percent with Foreign Service officers and 50 percent with other employees—civil service and reserve officers. At the moment, we are a little over the 50-percent mark on Foreign Service officers, so that is a correct statement. It is more than half Foreign Service right now.

Senator AIKEN. Is that considered to be a very desirable assignment in the State Department?

Mr. CLINE. There are differences of view on that, Senator. I think it tends to attract the members of the Foreign Service and other specialists who have an interest in a scholarly and deep research approach to foreign affairs and many officers find that a refreshing change from the day-to-day conduct of diplomacy, to which they usually like to return.

Senator AIKEN. Do these officers assigned to you stay with you quite a while?

Mr. CLINE. Some of them do. The younger officers, naturally, tend to go fairly rapidly because they want to get overseas and get other kinds of experience that will help them to be promoted.

Senator AIKEN. Do some of them get selected out after being with you a short or reasonable length of time?

Mr. CLINE. Only to the same degree they would if they served in other bureaus, as far as I know. I would not say we were especially troubled by these selections out.

Senator AIKEN. It is not an active problem, then?

Mr. CLINE. That is not my impression.

Senator AIKEN. Very good.

COMPARATIVE SIZE OF BUREAU'S ANALYTICAL STAFF

The CHAIRMAN. How does the size of your analytical staff compare with the size of the staffs in the CIA and DIA performing similar work? Are you about the same size or smaller, or what?

Mr. CLINE. May I just footnote your question by saying of course there are some differences in our tasks, but if you are speaking about the general analytical staffs of these agencies, we are much smaller. I would say that the Defense Intelligence Agency and the Central Intelligence Agency's staffs, which are somewhat comparable, are each nearly 10 times the size of my staff.

PRIORITY OF EXTERNAL RESEARCH IN BUREAU

The CHAIRMAN. How would you rate your external research on your list of priorities for your bureau?

Mr. CLINE. I rate it very high, Mr. Chairman, because I think in a period of restricted budget and restricted staff, it is very vital for the Department and we are operating here for the whole Department, to be able to tap the expertise and energies of specialists outside the government without taking them on as full-time employees, which we cannot do.

It is a way of extending the reach of our own expertise to reach the best people in the country to tackle a specific problem. So I rate it very high.

RELATIVE AMOUNT OF EFFORT BY VARIOUS AGENCIES QUESTIONED

The CHAIRMAN. This, again, comes back to the relative amount of effort put into this field by the various agencies. According to our information, in 1971, the Department of State spent approximately $1 million on outside research

Mr. CLINE. Yes, sir.

The CHAIRMAN. The Defense Department spent $4.5 million. HEW spent $8.5 million, $8.4 million, and so on, to a grand total of $23.7 million.

Mr. CLINE. That is right, sir.

The CHAIRMAN. For the record, I mention a few of the projects. The Defense Department had one called "Tiawan Phase II," $71,000. The HEW has, for reasons I do not quite get, "Historical Atlas of South Asia," $331,913, "Political and Historical Gazeteer of Afghanistan," $33,000. One of the studies of the National Endowment for Humanities is "War and Peace in Modern Asia." "Marxist-Humanists and Social Action" and "Origins and Evolution of Foreign Aid" are others. Mr. Jones here could tell them about all they want to know

about the last one, I expect. Another is "Historical Atlas of South Asia."

It strikes me sometimes that there is a great proliferation and duplication in this field and, furthermore, that the agency which is primarily responsible and can probably make the greatest use of it as far as the government is concerned, is your shop. Yet you are the one who has the least amount of money for the purpose. This is really what my complaint in the past has been. In looking at these other budgets, the one who really has the responsibility of analyzing it and applying it in the place where it should have effect is the one least supported in the area. This has been my rather recurring complaint about the activity.

Mr. CLINE. Mr. Chairman, I cannot bring myself to disagree with that sentiment.

The CHAIRMAN. I am glad you do not. Maybe we can work together. Maybe we can have some effect on it. We had a little effect on cutting down on some of the more far-out projects of Defense, but I am not sure that that resulted in increasing yours any more. I remember we did get some decrease in some of the more remote and unrelated areas, and finally adopted a principle, I think, on the Floor that they should no longer engage in research unrelated to the military.

I am told we did get some Defense money transferred to State.

INCREASE IN STATE DEPARTMENT RESEARCH BUDGET

Mr. CLINE. Yes, sir. I would like to say that I think after those remarks, whether because of them or not, I cannot say, after them, some progress has been made in the direction you have in mind. I would like to point out three things. One, the State Department budget for this research has been gradually increasing for three years. It was infinitesimal three years ago, so we are still not happy with the amount. But as you say, we have a total expenditure of about $1 million this year.

DEFENSE DEPARTMENT ALLOCATION FOR PROJECTS

It is also true that we were able to persuade the Defense Department to allocate for projects which we jointly agreed to be of political and military interest, at $683,000 in the past two years, and this has made our higher rate of expenditure possible.

The CHAIRMAN. I see.

ESTABLISHMENT OF FOREIGN AFFAIRS RESEARCH SUBCOMMITTEE

Mr. CLINE. Finally, may I also tell you, because I think you will be interested, about a year ago there was established in the government as a whole, a subcommittee of the Under Secretary's Committee, which is an institution of the National Security Council, a foreign affairs research group, to try to coordinate these activities in the social sciences relating to foreign affairs.

Mr. Irwin, who is, of course, our Under Secretary, designated me as the chairman of this group. We call it the USCFAR, Foreign Affairs Research Subcommittee, and we have 13 agencies participating. Not all of them are members; some are observers. We have prepared

one consolidated budget for research relating to foreign affairs, and we hope in the course of ensuing years to bring a little more forward planning and rationalization into the activities of the various agencies represented.

The CHAIRMAN. You have a voice in determining the nature of this research, too, as I understand it.

Mr. CLINE. We are beginning to get a hold of the problem. I would not want to exaggerate how much we have accomplished yet, but we are trying very hard to do that.

GOVERNMENT FINANCE FOREIGN AFFAIRS RESEARCH FUNDING AND PROJECTS

The CHAIRMAN. I won't read the list I have here. I will put it in the record.

(The information referred to follows:)

U.S. GOVERNMENT AGENCY OBLIGATIONS FOR SOCIAL AND BEHAVIORAL RESEARCH ON FOREIGN AREAS AND INTERNATIONAL AFFAIRS—FY 1971

Agency:	*Total*
Agency for International Development Central Research	$3,074,191
Department of Agriculture: Agricultural Research Service	415,057
Arms Control and Disarmament Agency	181,966
Department of Commerce: Bureau of International Economic Policy	16,000
Department of Defense:	
Army	1,733,000
Navy	444,073
Air Force	530,000
Advanced Research Projects Agency	1,092,000
International Security Affairs	700,000
	4,499,073
Executive Office of the President:	
Office of Emergency Preparedness	40,000
National Security Council	[1] 450,000
	490,000
Department of Health, Education, and Welfare:	
Office of Education	1,318,503
Health Services and Mental Health Administration	2,487,447
Social and Rehabilitation Service	3,856,501
National Institutes of Health	726,797
Social Security Administration	33,500
	8,422,748
Department of Labor: Manpower Administration	62,891
National Endowment for the Humanities:	
Division of Fellowships and Stipends	34,000
Division of Research and Publications	57,412
	91,412
National Science Foundation: Division of Social Sciences	[2] 4,411,720
Smithsonian Institution: Office of International Activities	[2] 202,745

See footnotes at end of table.

U.S. Government Agency Obligations for Social and Behavioral Research on Foreign Areas and International Affairs—FY 1971—Continued

Agency:	*Total*
Department of State: Office of External Research	$444,513
Bureau of Educational and Cultural Affairs:	
American Research Scholars	286,582
Assistance to Centers for Research and Study Abroad	317,000
	1,048,095
U.S. Information Agency:	
Office of Research and Assessment	624,215
USIS Posts	159,461
	783,676
Total	23,699,574

[1] Budgeted figure.
[2] Basic research.

Government Financed Research Projects Concerning Foreign Policy or Foreign Areas Reported as Currently Underway or Completed This Fiscal Year

Agency for International Development:	*Amount*
Development of Methodology for the Determination of Design Capabilities of Small Water Supplies	$40,000
A Theoretical Inquiry Into the Determinants of Fertility	326,445
Research on Family Planning—F.P. Evaluation Center	1,483
Evaluation Studies of an International Postpartum Family Planning Program	600,000
Determinants of Family Planning Attitudes and Practices, Phase II	106,105
Epidemiology of the Outcome of Pregnancy	443,855
Utilization of Family Planning Services	360,303
Ethnic Group Relations in a Medium Sized Indonesian City: A Study of Socio-cultural Factors in Development and Urbanization	24,975
Inter-American Investigation of Mortality in Infancy and Childhood	1,176,000
Survey of the Vientiane Plain, Emphasizing the Socio-Economic, Politico-Administrative, and Educational Impact of the Pa Mong project	18,200
Social Processes Involved in the Modernization of a Provincial Capital of Thailand and its Regional Hinterland with Special Reference to Human Resource Development	9,460
Urbanization and Urbanism in Southeast Asia: Identification of Data, Research Materials and Priority Research Requirements	30,106
The Role of Professionals in Small Town Development	6,327
The Educational Impact of Public Service Program in Central Java	13,376
A Study of Changes in Authority and Leadership Patterns in Indonesia and Their Related Values	19,850
A Structural-Functional Study of the Political Systems of the Southern Tagalog Provinces of the Philippines, Focusing Upon Popular Participation, the Institutional Sources of Electoral Support, and Political Change	20,539
The Changing Composition of the Political Elite in South Vietnam as Reflected in Persons Holding National Office since 1954	11,400
Participation Patterns in Modernizing Societies	326,401
Implementation of Title IX Objectives	89,249

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

Agency for International Development—Continued	*Amount*
Nation Building and the Malays of Singapore	$15,281
Mekong Basin Development Agreements: Legal and Institutional Aspects	29,060
Capacity of Legal Systems to Facilitate the Urban Development Process: Korea and the Philippines	29,100
International Fertility Research Program	3,106,000
Post-Election Behavior and Attitudes of Defeated Vietnamese Candidates for Election to the Lower House	16,000
Cross Cultural Research in Fertility Behavior	853,164
Research on Reversible Sterilization	213,511
Inter Migration and Urban Population Pressures in Latin America	226,100
Research in Prostaglandins in Relation to Human Reproduction	821,025
Effectiveness and Cost-Efficiency of Instructional Technologies	239,734
Distribution of Gains, Wealth and Income from Economic and Political Development	590,000
Population/Family Planning Research in the Middle East (American University in Cairo)	805,000
Health and Family Planning	1,389,390
Regional Aptitude and Training	624,593
The Role of Bureaucracy in Economic Development: The Case of the Provincial and County Bureaucracy in Contemporary Korea	8,200
Survey Innovative Approaches to Job Oriented Non-Formal Education	90,000
Population Studies Migration and Growth	900,000
Development-Orientation of the Indonesian Administrative Elite	14,483
Constitution-Making in South Vietnam—The Constituent Assembly of 1966–67 and the Constitution	11,000
Area, Development Policy, and the Middle City under the First Malaysia Plan (1966–1970) and the Indonesian Repelita 1969/70–1973/74)	10,630
The Growth and Future Development of Metropolitan Saigon: An Application of the Fragment of Hypothesis to the Study of Rapid Urban Growth	20,000
Development of Political Party Linkage Between Central Government and Grass Roots	9,000
Analysis of Capital Formation and Technological Innovation at the Farm Level in Less Developed Countries	1,246,000
Impact of Government Subsidy on Villages in Java and Bali	8,150
Exchange Control, Liberalization and Economic Development	426,000
Import Substitution and Economic Policy in Economic Development	379,000
Agricultural Diversification and Trade	212,000
Employment and Unemployment in the Developing Countries	983,000
Effects of Untied Foreign Aid on the U.S. Balance of Payments	99,375
Adapting and Testing of Agricultural Simulation Model to Sector Analysis	760,000
Analysis of Multinational Survey of Student Migration (Brain Drain)	139,196
Comparison of India Real Per Capita Income and Currency Purchasing Power with the U.S. and Japan	31,433
Comparative Studies of Resource Allocation and Development Policy	1,583,169

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

	Amount
Agency for International Development—Continued	
Economic Growth and Development Effects of Food Aid Shipments and Investment Projects Under PL 480	$330,000
The Impact of New Agricultural Technology on Rural Employment and Income	520,000
Urbanization and National Development: Problems, Process and Strategies for Policy Formulation	60,000
Department of Agriculture:	
Agricultural Production Potential and Cultivator Decision-Making Influenced by Environmental Factors in Northern India	10,928.42
Determination of Feasible Models of Cooperative Societies for Different Socio-economic Conditions	44,501.35
Arms Control and Disarmament Agency:	
The Competition for Resources Between Economic Development and Defense Requirements in Communist China	174,550.00
The Nature of Mainland Chinese Economic Structure, Leadership, and Policy (1949–1969) and Prospects for Arms Control and Disarmament	27,980.00
Effect of National Defense on Developing Economies	106,115.00
The Implications for Arms Control of Perceptions of Strategic Weapons Systems	55,000.00
Arms Control and European Security in the 1970's	118,587.00
The Effects of a Chinese Nuclear Force on U.S. Strategic and Arms Control Policies in the 1970's	50,000.00
Development and Administration of a Dissertation Support Program	226,451.00
Fiscal and Financial Systems of Eastern Europe (Study II)	54,168.00
Estimates of Military Expenditures in Eastern Europe	24,266.00
Economic Verification of Chemical Warfare Arms Control Agreements	49,280.00
Latin American Military Expenditures, 1949–1970: Trends in Argentina, Brazil, Chile, Colombia, Peru and Venezuela	10,000.00
Department of Commerce:	
Japan's Growth Economy—Patterns of Government-Business Interaction in Japan	16,000.00
Multinational Corporate Investment Study	84,218.00
Department of Defense:	
Supervision of Local National Employees (Edge)	188,000
U.S. Army Area Handbooks, Per Annum	1,000,000
Personnel Technology: Group Information Processing and Decision-Making in Complex Military Situations	193,399
Navy Environment: Military Utilization of Conflict Behavior Data	124,536
Personnel Technology: Improving the Effectiveness of Key Navy Personnel Through Management Training	422,804
Dimensions of International Conflict for Long-Term Predictions	943,000
World Event/Interaction Survey—Short Term Conflict Predictions	501,000
Forecasting International Defense Alliances and Alignments	407,000
Integration of Simulation Procedures	680,000
Quantitative and Empirical Study of Strategic Interaction	392,000
U.S. Interests and Policies wtih Respect to Disseminating Advanced Technology and Hardware with Security Implications	7,228
Police Roles of Internal Security Forces	139,000
Personel Technology: Developing Combined Action Capabilities for Vietnam and Future Contingencies	283,611

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

Department of Defense—Continued	*Amount*
Experimental Training Methods in ROKA Modernization	$817,000
Communication Data on Korean Audiences	200,000
Japan's Defense Policy and the U.S. Military Role in Asia	121,000
Study of Food Resources in South American Countries as they Relate to Military Problems	8,000
Development of a Method for Training Military Persnonel for Interaction with Foreign Nations (COPE)	210,000
USSR Objectives and Activities with Respect to Penetration of Latin America	60,500
Japanese Attitudes Toward Rearmament	38,692
Taiwan—Phase II	71,000
Economic Constriants to Communist China's Strategic Programs and their Implication for U.S. National Security Interests 1970–80	53,500
Soviet Use of Science and Technology as an Instrument in Third World Areas	19,500
Cuba and Chile and Security Implications for the U.S	29,990
Office of Emergency Preparedness: Study of Import of LNG/LPG Import Regulations	20,000
Department of Health, Education, and Welfare:	
Historical Atlas of South Asia	331,913
A Political and Historical Gazetteer of Afghanistan	33,862
Organization of Health Services in Israel	80,230
Rationale for Variations in Existing Income Maintenance Programs	31,429
Rehabilitation of Public Assistance Recipients	60,000
Studies of Group Upbringing	298,094
Factors in Infant Mortality	355,000
An Analysis of the Process of Cultural Change	43,689
Influence of Industrialization on the Health of Workers in the Community of Ivangrad	1,400,000
Cross-Cultural Cognitive Studies	9,859
The Role of Readiness, Enriched Experience and Manipulatory Activities in the Instruction of Mathematics	32,383
Recent Educational Development in Senegal, Guinea, Mali and the Ivory Coast	6,000
Education in Greece	17,750
Education and National Development in Pakistan	3,100
African Studies, in French for Elementary Grades	124,608
Achievement and Personality Characteristics of School Children in Relation to Environment	57,000
Higher Education in East Germany	15,000
Organization, Function and Results of Social Self-management at the Institutions of Higher Education and their Associations	34,888
Innovation in Undergraduate Teaching and the Study of Asian and African Societies in Transition	45,580
Materials for Education of Handicapped Children, Phase I Deaf, Phase II Mentally Retarded	1,233,708
The Development of Behavior Dimensions for Emotionally Disturbed Children: A Study of Relevant Indicators for Classroom Techniques, Therapeutic Methods, and Prognosis	407,178
The Identification of Intelligent and Creative Students from Culturally Deprived Homes	53,481
Demands of Modern Technology as Reflected on the Trends and Training in Vocational Schools	40,298
Tibet and Its Impact on the Outer World—A Handbook	40,000
The Soviet Educational System: Its Role in the Political Development of the U.S.S.R. (1917–1967)	68,050

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

	Amount
Department of Health, Education, and Welfare—Continued	
Assassination and Terrorism	$38,200
Processes of Cultural Lexical Change	47,700
Field Study of Law and Conflict	19,700
Comparative Research on Law and Conflict	82,300
The Determinants and Prediction of Suicide	6,800
Patterns of Enculturation	5,000
Compilation of a Research Guide and Manual for Traditional China	9,970
Ming Bibliographic History Project	25,254
Cultural Variations in the Development of Learning Strategies	87,073
Education and American Colonialism in Cuba, 1898–1909	9,280
A Study of Children's Aggressive Actions in Six Cultures	37,587
Study of Archaeological Virola Snuff from Bolivia	3,000
Folk Use of Medicinal Plants	5,000
Stress and Susto in a Mexican Indian Community	6,000
Social Change in a Plural Society	102,700
Prisoner Responses to Various Types of Institutions	20,800
Department of Justice: The Mentally Abnormal Offender in Sweden: An Assessment of Legal Standards and Procedures	(1)
Department of Labor: The Economics of Military Manpower Procurement in Canada	(1)
National Aeronautics & Space Administration: Research Studies Basic to the US purpose of Promoting International Cooperation in Space	118,089
National Endowment for the Humanities:	
Humanitarian Intervention Through the United Nations	23,132
Marxist-Humanists and Social Action	14,984
War and Peace in Modern Asia	7,296
Modern Economic History of China, ca. 1800–1949	15,500
Interpretive Study of Japan's Modern Transformation	8,000
Historical Atlas of South Asia	50,000
The Principle of Non-Intervention in Mexican Foreign Policy	1,500
Soviet Policy Toward the Arab-Israeli Conflict, 1945–48	1,500
Soviet Society and Foreign Policy	11,472
Translation of a History of Chinese Political Thought by K.C. Hsiso	12,000
Origins and Evolution of Foreign Aid, 1943–1953	7,500
National Science Foundation:	
Subethnicity and the Local Political Process Among Rural Malaysian Chinese	5,300
Ethnoeconomics on Ulawa, British Solomon Islands Protectorate	2,300
Travel of South African Educators to Attend NSF Supplementary Training Programs	5,500
An Analysis of the Yugoslav Economic System	19,250
Research in Economics	5,100
The Political Economy of Agricultural Development in India	2,500
Cash Crop Farming and Social-Economic Change in a Yucatec Maya Village in Northern British Honduras	4,150
Technological and Social Change in the Malagasy Republic	2,750
Studies of Social Disorganization	(1)
Theory and Practice of Integration of Centrally Planned Economies	14,100
United States-India Exchange of Scientists and Engineers Program	1,420

See footnote at end of table.

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

National Science Foundation—Continued	*Amount*
Political Dimensions of the Technical Transformation of Chinese Agriculture	$3,300
Multivariate Longitudinal Analysis of Conflict and Cooperation	4,300
Econometric Investigations of Technological Change	56,900
Demographic Approaches to Social Behavior	21,850
Comparative Study of Unemployment in Israel and Los Angeles	3,650
First Conference on Research Priorities for the Andean Region	1,000
An Ethnographic Study of the Buin	2,950
The Cost and Value of Children in a Javanese Village	4,056
Cross-National Study of the Social Aspects Involved in Industrialized Production Approaches to Housing	38,200
Social Structure of Schools and the Socialization of Values	5,950
Large-Scale Integration in Urban Planning with Trial Application to The Banja Luka Region of Yugoslavia	30,000
Collaborative Research on North American Indian Societies	15,750
The Structural Analysis of a Narrative Culture	30,900
Linguistic Relationships	64,450
Quantitative Research in Economic Development	65,000
Collaborative Research on North American Indian Societies	21,250
Symbiosis and Opposition in Inter-Group Relations	33,450
Collaborative Research on European Economic Integration	23,700
Ethnography of the Quecha Indians of Eastern Ecuador	14,700
Urban Aspects of Family and Kinship in Japan	25,850
Industrialization and Central Planning in Bulgaria	17,050
Excavation of Middle Stone Age Sites in South Africa	45,150
An Exploratory Field Study of the Ecology and Social Behavior of a Population of Australian Aborigines	1,400
Family Structure and Population Trends in Taiwan	46,150
Preceramic Occupations of Highland Ecuador	9,200
Study of Mon-Khmer Dialects	3,600
Archival Research Utilizing Processed Social Science Data on India	67,900
The Indian in Colonial Ecuador and After Independence	21,800
Ecology of A Fishing Community	13,000
Demographic Analysis of USSR Ethnographic Data	9,896
Economics	3,700
Formal Analysis of Pushtun Social Interaction	3,744
The Social Economics of a Religious System in a Mexican Municipio	3,000
Computer-Aided Analysis of Russian Derivational Morphology	75,400
Social Structures in Wanigela, Territory of Papua and New Guinea—Doctoral Dissertation Research	3,250
Large-Scale Dairying in the Kanto Region of Japan—Doctoral Dissertation Research	1,600
Politico-Economic Effects of the Keban Dam in Turkey—Doctoral Dissertation Research	5,700
Collaborative Research on Professionalization	25,200
The Cognitive Structure of the Intangible Factors of Rural-Urban Migration in Liberia—Doctoral Dissertation Research	2,900
Inequality of Rank and Wealth in Swedish Agriculturalists—Doctoral Dissertation Research	3,800
Squatter Settlements in an Urban Environment—Doctoral Dissertation Research	2,800
Factors Influencing the Mobility of Japanese Political Elite—Doctoral Dissertation Research	3,200

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

National Science Foundation—Continued	*Amount*
Acquisition of Social Science Data on Africa	$27,150
Demographic Approaches to Social Behavior	37,900
Analysis of Sociometric Data with the Aid of Computers	30,600
Cross-National Studies in Political Participation and Social Change	109,850
Collaborative Research Study of Levels of Governmental Performance	5,250
Collaborative Research on Comparative Socialization	52,600
Deductive Analysis of Electoral Processes	70,700
Settlement Pattern at Tenochtitlan	10,300
Nomad-Sedentary Relations	16,400
Marketing Patterns and Social Mobility of Merchant Castes in India—Doctoral Dissertation Research	2,325
Components of a Complex Society	26,556
A Dictionary of the Paiwan Language in Taiwan	5,500
Computer Simulation of Genetic-Demographic Structure	40,700
Movement and Communication Patterns of Urban Households	71,300
Social and Economic Attributes of a Rural Society	75,000
Collaborative Research on Comparative Socialization	13,900
Cultural Rules in a Tropical Forest Society	19,550
Roles of Local Government Administrators and Politicians in Mysore	1,400
The Role of Women in a New Guinea Highlands Society	2,800
Comparative Study of Conscription in the Three Leading Western Powers	1,800
Social History of Ceylon—Doctoral Dissertation Research	1,300
Labor Protest in Colonial Kenya—Doctoral Dissertation Research	2,150
Testing of Theories of Political Fragmentation	28,400
The Cultural Ecology of an Isolated Community	3,600
Modern and Traditional Iran	19,650
The Industrialization of a Traditional Urban Culture	20,800
Demographic and Economic Analysis of Tokugawa Japan	22,600
Comparative Study of Community Decision-Making	13,500
Demographic Research on the Chinese Population	42,950
Casual Modelling and Prediction in the International System	35,450
An Ethnography of Communication in a Multilingual Rural Community in Tanzania—Doctoral Dissertation Research	3,450
A Sociolinguistic Study of Villejuif—Doctoral Dissertation Research	2,900
Genitive Phonology and the Kwangsi Dialects of Cantonese—Doctoral Dissertation Research	4,050
Multilingualism in a Tanzania Urban Setting	7,900
Historical Relationships of Science, Technology and Society	13,400
Area Program in Population Genetics	150,000
Bontoc Lexicography	2,600
Relations Between Standard French and a Local Dialect in Southern France—Doctoral Dissertation Research	1,400
Cross Language Study of Discourse Structures	29,600
Ouro Verde: A Coffee Growing Community in Brazil	1,250
Cultural Influences on Human Fertility	36,100
Mosetano Linguistics	8,500
Ethnography Atlas of Ifugao	66,050
Intercultural Variability in Body Movement—Doctoral Dissertation Research	2,664
Analysis of Quantitative Data on the Maring People of New Guinea	11,600
Native Law and Social Control in a Malaysian Town—Doctoral Dissertation Research	3,200

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

National Science Foundation—Continued	Amount
Multivariate Longitudinal Analysis of Conflict and Cooperation	$28,300
Characterization of Mbugu as a Possible Cushitic-Bantu Creole—Doctoral Dissertation Research	4,050
A Study of a Japanese "New Religion"—Doctoral Dissertation Research	4,450
Haida Material Culture: An Analysis of Change—Doctoral Dissertation Research	2,400
From Longhouse to Pasar—Urbanization in Sarawak—Doctoral Dissertation Research	1,850
South Asian Semantic Structures	28,250
A Project to Film the Janomamo Indians of Southern Venezuela For Anthropological Teaching and Research	92,700
Argentine Society—Structure and Change	20,450
Political Participation, Social Structure, and Social Networks in Israel—Doctoral Dissertation Research	7,300
Urban In-Migration in European Russia—1861–1914—Doctoral Dissertation Research	2,100
Comparative and Methodological Studies in Human Ecology	49,200
Citizen Participation in Community Decisions	28,230
Examination of Constraints on Sentence Structure in Informal Discourse in Japanese—Doctoral Dissertation Research	3,250
The Cognitive Patterning of Disease and Disease Therapy in a New Guinea Highlands Community—Doctoral Dissertation Research	4,500
Alternate Role-Sets in the Gilbert Islands	8,750
The Impact of Modernization on Cantabrian Rural Communities	24,600
Communication Flow and Decision-Making Process in Rural Communities	40,100
Human Adaptation Under Conditions of Social and Ecological Change	57,150
Urbanization at Teotihnacan	58,300
Changing Roles of Women in Some African Muslim Cultures	4,550
Ecology of Changes in Longitudinal Perspective	20,600
Collaborative Research on Professionalization	12,700
Linguistic Anthropology of Tojolabal (Mayan) Indians—Doctoral Dissertation Research	3,700
Ethnology and Ecology of the Lawa and Skaw Karen	32,500
An Aspect of the Constitutional Crisis Within the Canadian Federal System	1,950
A Comparative Study of Migration in Two Mexican Cities	3,400
Cholan Linguistics	21,350
Influence Structure and Organizational Innovation in Transitional Societies	5,200
Rewarding Self and Others—A Cross-Cultural Study	3,000
Preparation of the Handbook of Middle American Indians	33,100
Conference on Sociological Research	5,700
Research on Indo-European Noun Morphology	13,950
The Impact of a Developing National Television System	48,000
In-Migration and Urban Growth	4,968
Ethnic Relations and Social Stratification in the City of Oaxaca, Mexico, 1521–1700	1,400
A Comparison of the Economizing Behavior of Tenant and Owner Farmers	4,500
The Effects of Economic Change in Adoption Patterns	5,700
Macrosocial Accounting System for Developing Countries	46,100
Politics of Conquest in British East Africa 1893–1902	21,400
The Ethnography and Linguistics of the Dime Tribe	20,300
Comparative Models of Educational and Occupational Achievement	10,560

GOVERNMENT FINANCED RESEARCH PROJECTS CONCERNING FOREIGN POLICY OR FOREIGN AREAS REPORTED AS CURRENTLY UNDERWAY OR COMPLETED THIS FISCAL YEAR—Continued

	Amount
Overseas Private Investment Corporation: Economic Effects of U.S. Private Investment in Less-Developed Countries	$71,382
Department of State:	
Implications of Economic Growth in Africa	34,995
The Japanese Computer Industry	25,000
A Selective Directory of African Programs of U.S. Organizations	20,000
Colloquium on Nigeria	1,300
Philosophical Concepts, Both Traditional and Marxist, that Strongly Influenced the Outlook of the Chinese-Communist Leaders	600
Colloquium on Somalia	900
Conference on Effects of Rapid Population Growth on Political Change in The LDCs	2,050
The Asian and Pacific Student Leader Project—A Study in U.S. Cultural Relations	7,675
Relations of Direct Investment to Trade Flows	37,500
The Andean Economic Integration Movement	10,033
Possible Role of the UN and Other International Organizations in the Economic Rehabilitation of Vietnam	42,935
Trends in Latin America in the 1970's	37,575
Communist World Outlook Handbooks	20,633
Computers in Foreign Affairs: A Conference	8,600
Conference on Social-Behavioral Research and Foreign Affairs	13,980
The Effectiveness of International Organizations in Environmental Affairs	27,000
The Lower Persian Gulf: Sociological and Economic Setting	8,829
Development of a Policy Analysis and Resource Evaluation System (PARES)	76,600
Korean Political Development	7,744
Culture & Mental Health in Taiwan	6,600
Child Development and Guidance	5,400
Communication Behavior Studies	5,400
Communication Systems in Korea	900
Culture and Cybernetics	7,200
Adult Socialization in the Far East	5,500
Population Factors in India	9,000
Asian Nation Building	12,512.50
Social and Cultural Factors in Management	4,800
Southeast Asian Regional Cooperation	11,000
U.S. Information Agency:	
Multivariate Analyses of 1969 Survey Data for Great Britain and France	13,640
Sociology of Soviet Audiences	109,430
Politics of Pollution	200
Communication and Decision Making in Yugoslavia	52,777
Pre-China Visit Survey (est)	35,000
The International Information and Cultural Programs of the USSR	54,000
VOA Transistor Contest Mail Follow-up Study (est)	11,800
Reading Interest Study for Al Majal Magazine	18,000
The International Information and Cultural Programs of France	15,000
VOA Listening by Urban Educated Moroccans and Tunisians (est)	9,000
Survey of Moroccan Reading Interests and Publications Readership	8,000
Veterans Administration: Pahivi Nutrition Research Project	[1]

[1] Funds unknown.

PROPOSED EXPENDITURES FOR SOCIAL AND BEHAVIORAL RESEARCH ON FOREIGN AREAS AND INTERNATIONAL AFFAIRS, BY THE MEMBER AGENCIES OF THE UNDER SECRETARIES SUBCOMMITTEE ON FOREIGN AFFAIRS RESEARCH (USC/FAR), AS PROJECTED BY THE MEMBER AGENCIES IN AUGUST 1972.

USC/FAR member	Fiscal year 1972	Fiscal year 1973
Department of State [1]	[2] $992,000	[2] $1,275,000
Department of Defense	3,765,000	4,240,000
U.S. Information Agency	736,750	743,050
Agency for International Development	6,354,000	6,885,000
Arms Control and Disarmament Agency	311,000	575,000
National Security Staff	350,000	[3]

[1] More recent estimates, February 1972, are $1,035,000 for fiscal year 1972 and $805,000 for fiscal year 1973 and do not include grants to American research scholars or assistance to centers for research and study abroad awarded by the Bureau of Educational and Cultural Affairs.
[2] Does not include grants to American research scholars or assistance to centers for research and study abroad awarded by the Bureau of Educational and Cultural Affairs.
[3] Not available.

WHITE HOUSE MECHANISM FOR COORDINATING FOREIGN INTELLIGENCE ACTIVITY

Will you describe the mechanism within the White House for coordinating foreign intelligence activity?

I have reference to an announcement that came out last fall, I guess, in which there was a new mechanism set up, and I am not clear about it. I wish you would sort of clarify that situation.

Mr. CLINE. Yes sir.

The CHAIRMAN. Who chairs it and so on.

Mr. CLINE. This machinery, of course, is also only being organized since it is being established pursuant to an instruction from the President on the 5th of November last year. But what it provided and what has been established is a special Intelligence Committee of the National Security Council. The members of that committee are Dr. Kissinger, representing the White House; Under Secretary of State, Mr. Irwin; the Deputy Secretary of Defense, now Mr. Rush; the Chairman of the Joint Chiefs of Staff, the Director of Central Intelligence; and the Attorney General.

The purpose of this committee is to provide a forum below the level of authority of the President himself for the thrashing out of important problems relating to the conduct of intelligence business by all of the agencies involved in conducting intelligence operations and using the information which they produce.

In addition, the President's directive instructed that a special committee advisory to Mr. Helms be set up to study the deployment of resources in the intelligence field.

The CHAIRMAN. To what?

Mr. CLINE. To study the deployment of resources, that is manpower, facilities, money, devoted to collection and analysis of intelligence, to try to ensure that we are getting the maximum efficiency and minimum overlap, et cetera.

Finally, the heart of the new arrangement, sir, I believe, is the provision that the Director of Central Intelligence Agency will prepare a consolidated program budget for the agencies who are in the intelligence business.

The CHAIRMAN. All agencies?

Mr. CLINE. All agencies.

These have always reported separately before. So this machinery has been established and is beginning to work. A working group of the committee which you asked about, the National Security Council Intelligence Committee has been set up. I represent the State Department on it, and we are beginning to tackle some of the hard problems in interagency intelligence coordination.

ADVISORY BOARD ON INTELLIGENCE

The CHAIRMAN. What happens to the Advisory Board on Intelligence, which has been in existence a long time? Does it continue?

Mr. CLINE. It continues.

The CHAIRMAN. Does it have any role to play now?

Mr. CLINE. Yes, sir. That is the U.S. Intelligence Board I spoke about earlier. It is a board representing the chiefs of intelligence agencies.

The CHAIRMAN. No, this is the Advisory Board.

Mr. CLINE. You mean to the President?

The CHAIRMAN. Yes, they are civilians.

Mr. CLINE. That is a different one.

The CHAIRMAN. They are not really all civilians. A lot of them are military men, but it seems to me it is sort of superfluous now; isn't it?

Mr. CLINE. No, I do not believe so.

The CHAIRMAN. Do they have a function to perform?

Mr. CLINE. You are referring to the President's Foreign Intelligence Advisory Board?

The CHAIRMAN. That is correct.

Mr. CLINE. Which is chaired by Admiral Anderson.

The CHAIRMAN. Correct.

Mr. CLINE. It has been viewed, I believe, as a citizen's group entitled to oversee the activities of any of the intelligence agencies they want to examine and to study problems which they feel should be called personally to the attention of the President. I think this is, if you like, a safety procedure, a distinguished citizen's group to give the President advice other than from his regular line of command support.

MECHANISMS DECIDING ON RELEASE OF INFORMATION TO FOREIGN GOVERNMENTS

The CHAIRMAN. What is the inter-agency mechanism which decides on the release of information to foreign governments?

Mr. CLINE. There are two mechanisms. One is a committee called the Disclosures Committee. It has a slightly longer title, but that is the main part of its title. It makes formal determinations on what kind of information can be provided foreign governments. It is guided in its work on intelligence as such, however, to a great extent, by the United States Intelligence Board, the group which I referred to a moment ago, made up of the heads of the intelligence agencies.

AVAILABILITY OF INTELLIGENCE AVAILABLE TO FOREIGN GOVERNMENTS

The CHAIRMAN. Do you think you could make available to this Committee the intelligence you make available to foreign governments?

Mr. CLINE. I think we could make available a great deal of it, sir.

The CHAIRMAN. Why not all of it? Don't you think we are just as trustworthy as a foreign government?

Mr. CLINE. Yes, sir, I think so. But I am not in a position to commit other agencies and staffs as to what they provide foreign governments or what they are willing to release to you. The Department, of course, does try to release a great part of its own intelligence.

The CHAIRMAN. Would you mind looking into that and supplying a memorandum to the committee on what the situation is on this point?

Mr. CLINE. I would be glad to. As a matter of fact, I think we have been trying to pull together some views for you on this problem. It is very complicated situation.

The CHAIRMAN. We found it very complicated, indeed.

Mr. CLINE. Yes, sir. I will clarify it as much as possible, Mr. Chairman.

The CHAIRMAN. Would you do the best you can and give us a memo on it?

(The information referred to follows:)

AVAILABILITY TO COMMITTEE OF INTELLIGENCE AVAILABLE TO FOREIGN GOVERNMENTS

(Supplied by Department of State)

As I observed in my testimony, INR does not have the unilateral authority to release to foreign governments or to the committee much of the intelligence produced within other agencies of the intelligence community. However, INR's own products often can be distributed to the Senate Foreign Relations Committee and the House Foreign Affairs Committee and are provided on a continuing basis. We are currently reviewing our procedures with the intention of increasing the flow of information to both committees.

DISCLOSURE COMMITTEE AND U.S. INTELLIGENCE

How often do these mechanisms you have just described report? Do they report often or not?

Mr. CLINE. Well, they are so new, there isn't really any pattern yet, sir. The National Security Council Intelligence committee has only held one meeting. So it is a little new as a matter of fact, so has the other one, only met once.

The CHAIRMAN. You said who was in charge, I believe of the one which decides what is to be released to foreign governments.

Mr. CLINE. I am sorry. I thought you were going back to the National Security Council Intelligence Committee. The Disclosure Committee is what you want.

The CHAIRMAN. Who is in charge?

Mr. CLINE. A Defense Department officer, whose name I don't remember, and it is chaired by the Department of Defense. The United States Intelligence Board meets weekly, the Disclosures Committee meets less often but frequently.

The CHAIRMAN. Are you on the Disclosure Committee?

Mr. CLINE. No, I am not. But the State Department is represented.

The CHAIRMAN. By whom? Do you know?

Mr. CLINE. I do not know at the moment, sir.

The CHAIRMAN. Supply that for the record.

Mr. CLINE. Yes, sir.

(The information referred to follows:)

DISCLOSURE COMMITTEE

(Supplied by Department of State)

The "disclosure committee" mentioned in my testimony establishes policy concerning the release of military information, including military intelligence, to foreign governments. Mr. Joseph F. Vaughan of the Bureau of Politico-Military Affairs, represents the Department of State on this committee. This organization, under executive direction of the Department of Defense, has joint responsibility with the Department of State in insuring that release policies are consistent with foreign policy objectives and military security requirements. However, this committee does not have authority with respect to the disclosure of national intelligence or interdepartmental intelligence produced within the United States Intelligence Board (USIB) structure. Such intelligence cannot be disclosed without the authorization of the Director of Central Intelligence concurred in by the USIB.

GROUPS CHAIRED BY DR. KISSINGER

The CHAIRMAN. Could you have one of your researchers prepare for our records a list of every committee, subcommittee, working group, et cetera, of which Mr. Kissinger is the actual or nominal chairman? We are trying to understand it and it is a very complicated matter.

You have these research men in this field. I wonder if you could not give us a little run-down on it. We are trying to understand his role as well as yours.

Mr. CLINE. I expect we can do pretty well at that. We would be glad to give you what we have.

(The information referred to follows:)

INTERAGENCY GROUPS CHAIRED BY DR. HENRY A. KISSINGER

(Supplied by Department of State)

Dr. Henry A. Kissinger chairs the following interagency groups of the National Security Council:

Senior Review Group.
Defense Program Review Committee.
Senior Washington Special Actions Group.
Verification Panel.
National Security Council Intelligence Committee.

The CHAIRMAN. You are an intelligence gatherer and I cannot think of anybody better to ask.

Mr. CLINE. Mr. Chairman, I want to point out we gather intelligence on foreign governments, not our own.

The CHAIRMAN. We are trying to establish better relations with the government downtown.

Mr. CLINE. We have a great many contacts with NSC staff and other agencies, and we will be glad to tell you how they work, insofar as we understand it.

The CHAIRMAN. I would appreciate it. You save us a lot of trouble. In fact, I don't know if we would be able to do it, but I think you might be able to do it. It would be very helpful to us. I think we are making progress. There are outstanding differences of view on policy, but if we can understand how each of us operates, it would be a great step forward. I am very encouraged that your shop is making some progress.

That is why I think this kind of activity we have been describing ought to be emphasized, because goodness knows, our policymakers need some research and with this opening up of a new part of the world with which we have had no relations, China, it is all the more important that we have good intelligence and analysis in this area.

Mr. CLINE. I agree with you totally.

The CHAIRMAN. I am hoping that will inspire both the executive branch and the committee to use greater efforts to try to understand with what we are dealing.

Mr. CLINE. Thank you, sir.

The CHAIRMAN. Thank you very much, Mr. Cline. We will look forward to seeing you again.

Mr. CLINE. It was a pleasure to appear before you.

(Additional questions and answers follow:)

ANSWERS TO QUESTIONS SUBMITTED TO MR. RAY S. CLINE, DIRECTOR, BUREAU OF INTELLIGENCE AND RESEARCH BY THE CHAIRMAN FOR THE RECORD

Question 1. Would you describe the mechanism by which other elements in the intelligence community are made aware of your analyses and research products and you of theirs?

Answer. Under existing procedures INR analyses and research products, that is, research studies, intelligence notes, geographic and boundary notes and studies, and external research studies are automatically transmitted to other agencies of the intelligence community, represented on the U.S. Intelligence Board (USIB). Reciprocally, State/INR automatically receives from other intelligence agencies a regular and substantial flow of their analyses and research products, as presented both in periodicals and in special reports. State/INR participates in scheduled studies jointly undertaken by members of the intelligence community, particularly in the National Intelligence Estimates authorized by USIB. Finally, information as to studies and analyses planned or in process is additionally conveyed informally, in the manifold informal contacts among agency staff. Arrangements are also made, through both formal and informal channels, for studies to be undertaken by a single agency or cooperatively.

Question 2. How does your rank compare with that of other members of the United States Intelligence Board?

Answer. The Director of the State Department Bureau of Intelligence and Research is equal or superior in rank to all of the other full members of the U.S. Intelligence Board. As the representative of the senior agency on the board, he sits next to the Director of Central Intelligence at the Board meetings.

Question 3. Your office works with the Justice Department in the enforcement of the Foreign Agents Registration Act. What use does the Department make of the information it obtains from filings by foreign agents? Do you think the Act is effective in providing sufficient information about the activities of foreign agents or visitors who are here to raise money for use for political purposes in foreign countries?

Answer. The filings by foreign agents are used by the Department both for information and as an aid to the Justice Department in the enforcement of the Act. Each such statement is forwarded to the office of the appropriate Geographic Bureau for examination and comment. Any comments or observations are then transmitted to the Justice Department for its information or action. Items of political propaganda transmitted to the Department are circulated to INR research divisions for information. While I cannot report that much of this material has proved to be useful, there have been several individual items that have been quite helpful to us.

As for effectiveness of the Act itself, I feel I must refer you to the Justice Department, for we defer to Justice on questions as to general effectiveness, interpretation, and the like. From our standpoint, however, the Act appears to be effective.

Question 4(a). How many people in your office work on matters relating to coordination of foreign research?

Answer 4(a). The number of people involved depends on what is meant by coordination. Two people are concerned with the review of other agencies' proposed contract research projects in the social and behavioral sciences for the purpose of avoiding damage to U.S. foreign relations. The equivalent of two more man years is devoted to the work of the Under Secretaries Subcommittee on Foreign Affairs Research (USC/FAR), which is charged with the coordination of contract research programs. And three people maintain an information bank of Government-supported research projects on foreign areas and international affairs.

Question 4(b). Does the State Department have a veto power over proposed research projects by other agencies? Are proposed projects actually approved or rejected by the inter-agency committee or is it only an information gathering mechanism? Describe the clearance process.

Answer 4(b). The Department of State does have a veto power over foreign area contract research projects in the social and behavioral sciences of other agencies. In 1965 the President directed the Secretary of State to assure that no Government-supported research be undertaken which in his judgment could adversely affect United States foreign relations. Since that time the Department of State Research Council, chaired by the Director of Intelligence and Research, has reviewed proposed contract research projects. The Council is not an inter-agency committee, but is a Department group in which all bureaus are represented. It also plans the Department's own contract research program. The inter-agency committee referred to is probably the Under Secretaries Subcommittee on Foreign Affairs Research of the National Security Council (USC/FAR), which coordinates contract research programs. USC/FAR does not approve or reject projects.

The clearance process centers on proposed research projects involving foreign travel or contacts with foreign nationals which are sponsored by the military and foreign affairs agencies. The Department receives information on other projects (domestic agency studies) and may take action in regard to them should the need arise. Certain categories of research support have been exempted from review—National Science Foundation, Humanities Endowment, National Institutes of Health, Fulbright Program, and National Defense Education Act grants—on the ground that such support is different in kind and therefore substantially less sensitive than research contracts designed to meet Government policy needs. Department review is limited to the risk a project may pose for U.S. foreign relations and is not concerned with the cost, need or design of a project, except insofar as these may affect foreign relations sensitivity. Projects are discussed with the appropriate Departmental policy units and in many cases the advice of one or more American embassies is obtained before clearance is granted. Since 1965 more than 750 projects have been reviewed.

Question 4(c). Have any inter-agency criteria been established for research abroad or involving foreign areas? Would you provide a copy of the criteria to the Committee as well as a copy of the general directive for operation of USC/FAR?

Answer 4(c). In the review of proposed foreign area contract research projects, the Department of State Research Council operates on the basis of its Procedures for Department of State Review of Government-Supported Foreign Affairs Research. The Council also has issued Guidelines for the Review of Domestic Agency Research by the Department of State Research Council. Both documents include criteria for determining whether or not a project may have adverse effects on U.S. foreign relations. There are also Government Guidelines for Foreign Area Research, issued by the Foreign Area Research Coordination Group, the predecessor organization of the present Under Secretaries Subcommittee on Foreign Affairs Research (USC/FAR). These Guidelines establish certain general principles applicable to the relationship between Government and the academic community in the use of contract research in foreign affairs. The general directives for the operation of the USC/FAR are the Terms of Reference of the Under Secretaries Subcommittee on Foreign Affairs Research. All documents mentioned are attached.

FEBRUARY 1972.

Guidelines for the Review of Domestic Agency Research by the Department of State Research Council

A. PURPOSE

These guidelines are designed to assist Federal agencies decide whether or not to submit their proposed research projects to the Department of State Research Council for review in accordance with the Procedures for Department of State Review of Government-Sponsored Foreign Affairs Research, dated November 18, 1965 (hereinafter called the Procedures). The guidelines apply to all Federal departments and agencies, with the exception of (1) those specifically defined in the Procedures as being military and foreign affairs agencies, and (2) those whose research programs have been specifically exempted from review by the Chairman of the Department of State Research Council.

B. APPLICABILITY

The Department of State Research Council is concerned with foreign affairs research, defined as studies dealing in whole or in part with international relations, or with foreign areas and peoples, whether conducted in the United States or abroad, which are supported by contracts or grants awarded by agencies of the United States Government. In-house research is not included.

For the most part, such studies involve one or more of the social, behavioral or humanistic disciplines or fields and include those concerned with the implications for man and society of developments in the life, physical and environmental sciences and technologies and in mathematics. The full range of human, social and behavioral problems, disciplines and fields are included, as is both basic and applied research.

C. DOMESTIC AGENCY RESPONSIBILITY

1. *Appointment of Clearance Point.*—Each agency supporting foreign affairs research will designate an officer as clearance point with the Department of State Research Council. The clearance point will be responsible within his agency for reviewing foreign affairs research projects for potential foreign relations sensitivity, supplying information about all projects to the Department of State, deciding which projects need State Department clearance, and submitting the latter for review in conformity with the Procedures. Projects will be submitted before the contract is signed or the grant awarded.

2. *Review of Projects.*—The clearance point within agencies will submit to the Department of State Research Council for review those projects he decides might have potential adverse effects on U.S. foreign relations. Potentially sensitive projects are defined below in section D. Projects thus submitted will be considered cleared unless the Department of State otherwise notifies the clearance point within 15 working days after the project has been received by the Department for review. When projects are submitted for review the clearance point should submit the information specified in Section I of the Procedures.

3. *Information on Projects.*—When the clearance point determines that a project does not need Department of State review, he will submit summary information to the Department before a contract is signed or a grant awarded. The summary information will include:

(*a*) Title of project and brief description.

(*b*) Sponsoring agency or agencies (including information of any funding by other agencies).

(*c*) Contractor, estimated cost, and principal researchers.

(*d*) Extent to which discussion with a U.S. diplomatic mission has already been held in the formulation of the project proposal.

(*e*) Classification of project and proposed disposition of reports.

4. *USC/FAR Reporting System.*—All projects begun should be reported on the Foreign Affairs Research Project Information Form for inclusion in the research reporting system of the Under Secretaries Subcommittee on Foreign Affairs Research (USC/FAR). Projects are to be reported within 10 working days after a contract is signed or a grant awarded.

5. *Liaison with Ambassador.*—The clearance point will insure that in cases of projects not submitted in accordance with paragraph 2 above, but involving foreign travel, the American Ambassador in the country concerned is notified

through Department of State channels of the travel involved. The notification should be given sufficiently in advance of the arrival of contractor or grantee so that the Ambassador may transmit timely advice to Washington.

D. POTENTIALITY SENSITIVE PROJECTS

Potentially sensitive projects are those which:

1. Deal with the authority of a foreign government or with the attitude of the people toward the government, especially if the government is characterized by instability); or
2. Involve large-scale or formalized surveys or interviews; or
3. Are conducted by large teams, or cover extensive or remote areas of a foreign country.

E. PROJECTS OF LESSER SENSITIVITY

In general the more of the following points that characterize a proposed project, the less it is likely to have high sensitivity:

1. Is conducted entirely in the United States;
2. Deals with historical rather than contemporary subjects;
3. Gathers information in the host country through documentary investigation rather than interviews or questionnaires;
4. Has the approval of interested agencies of the host country government;
5. Involves professional participation by host country nationals as researchers;
6. Is not designed to contribute specifically to the operating mission of an agency of the United States Government.

F. AVAILABILITY OF RESEARCH COUNCIL STAFF ASSISTANCE

The staff of the Department of State Research Council is available for consultation on the possible sensitivity of projects. It is sometimes the case that topics of no apparent sensitivity on general principle may prove to be quite sensitive in a particular time or place. Advance consultation often serves to expedite projects and assure that a proposed study can in fact be carried out. Clearance points having any doubts about the potential sensitivity of projects should resolve them *in favor of* Department State Research Council review, i.e., in favor of submitting in accordance with paragraph 2 above.

(Additional material is in the Committee files.)

Question 5. According to the information provided the Committee, the Department of the Army spends $1 million per year on "area handbooks." In 1971 nineteen of these books were published, for such countries as Iraq, Ceylon, Albania, and Honduras. Did the FAR Committee approve this project? If so, what is the justification? Is this project being continued? If so, how much is being spent in FY 1972 and how much is budgeted for FY 1973?

Answer. The Foreign Area Research Coordination Group (FAR) neither approved for disapproved the U.S. Army Area Handbook Program because it had no authority to approve or disapprove research programs or projects. The same is true of the FAR's successor group, the Under Secretaries Subcommittee on Foreign Area Research (USC/FAR). The Army Handbook Program was already in existence when the Department of State Research Council was established in 1965 and the Council has never reviewed the program as a whole. Individual handbooks are reviewed by policy officers in the Department's regional bureaus. The Department of the Army has informed us that the program is being continued. In FY 1972 $1,000,000 was budgeted for the program and the same amount has been requested for FY 1973. A Department of the Army justification for the program is attached.

U.S. ARMY AREA HANDBOOK SERIES (DA PAMPHLETS 550-XX SERIES)

The US Army Area Handbook Program, solidly based upon an indicated need by military schools, operational planners, intelligence staffs, military assistance personnel, military libraries, contingency and deployed troop units provides pesonnel with tools for understanding foreign countries and peoples. This program has been in operation since 1955 and since 1966 has been administered under US Government Contract DAHC 15 67 C 0015, with annual amendments. Major General Clarke T. Baldwin, Jr., Director, DAMO-IA, is the approving officer. Area Handbooks are studies of a country's social, economic, political and military

organization. Each handbook provides in a useful, single-volume format a description of a country or area with its peoples, depicting cultural and historical origins and the role these play in the present institutional organization and functioning. Compiled from unclassified sources by an interdisciplinary team, the objective of any handbook is to describe a whole society as a coherent dynamic system of relationships and interactions. While the emphasis is on the contemporary society, the handbooks try to make possible an understanding of past trends and future probabilities. The Area Handbooks are intended to provide insights into general patterns rather than a wealth of encyclopedic knowledge.

The Army requires accurate, factual information in a convenient, usable form for field commanders with mission assignments in or related to various countries and areas of the world. The Area Handbooks provide background and orientation material for persons assigned as attaches or as members of MAAGS, Millions and MilGroups. Army schools make extensive use of these materials in country and area-oriented instruction, and staff contingency planning requires solid grounding in the facts of life and conditions in many key areas. The Area Handbooks are designed to meet all of these Army requirements. In addition, other government agencies receive distribution to meet their needs in the conduct of international affairs responsibilities. In recent years many thousands of copies have been sold by the Superintendent of Documents to meet various needs of the public.

An Army-wide and nation-wide evaluation survey of Area Handbook users was completed in early 1972. It shows that for field commanders, staff officers and schools the handbooks contribute substantially to saving time and effort, are excellent in providing background data, and give valuable assistance in accomplishing assigned missions. Responses were unanimous in attesting to the accuracy and factual nature of the handbooks and the great preponderance of replies indicated that this information was not readily available from other sources. As a secondary benefit, analysis of responses from other governmental agencies, Federal Depository Libraries, educators, corporations and individuals in the civilian community shows the great public relations value of this program to the Army and gives added testimony to the high calibre of the product.

The survey analysis showed that users require more frequent revision of existing handbooks (81% want handbooks revised every 2 or 3 years) and preparation of additional handbooks for areas/countries not yet covered. Of 233 countries, dependencies, and areas of special sovereignty listed in the Federal General Standard Catalogue (9/30/69), 125 are candidates for Area Handbook preparation. Eliminating both the highly developed countries of Western Europe and the British Commonwealth on which information is readily available and also those newly established, sparsely settled and little developed non-strategic areas of Africa, Asia and Latin America leaves a requirement for handbooks on 115 areas/countries. Only 74 handbooks are now available. Generally, it has been established that each handbook should be fully revised on the average of every five years. On that basis 11 of the 74 current handbooks are out of date and 17 more will become so during the next two years.

The program currently underway is based upon $1,000,000 annual funding. In FY 69 this program was based on $1,335,000 which provided for the publication of about 20 to 21 handbooks annually. This rate would have provided for revisions of all handbooks about every five to seven years and still permit research and writing of handbooks on countries not yet covered. Because of the budget reductions in FY 70 and FY 71 amounting to $335,000 and increased costs of research due to inflation and cost of living rises, FY 72 and FY 73 production has been reduced to 14–15 handbooks per year. This is the output capacity of five research teams—one each in the major areas of Asia, Europe, Middle East and North Africa, Africa South of the Sahara, and Latin America.

Question 6. How much is being requested in FY 1973 for the State Department's external research program compared with the budget requests for other agencies for research involving foreign areas or foreign affairs?

Answer. In FY 1973 $641,000 has been requested for Department of State contract studies as part of the Department's external research program. An additional $150,000 has been requested for other parts of the program, including employment of outside consultants, consultant travel and travel by Department officers to research centers and academic meetings, publication of contract and consultant studies, typing and editing support, and related activities connected

with the use of outside research. The approximate budget requests for foreign affairs (contract) research in FY 1973 by the member agencies of the Under Secretaries Subcommittee on Foreign Affairs Research are given below:

Agency for International Development	$7,000,000
Arms Control and Disarmament Agency	250,000
Department of Defense	4,000,000
National Security Council Staff	300,000
Department of State	641,000
United States Information Agency	620,000

Question 7. Would you provide a list, by agency, of all research projects currently underway abroad, the cost of each project, and an estimate of the amount of each agency's request for foreign-based research in FY 1973?

Answer. It is impossible for us within the time available to categorize projects in the general contract research program and plan so as to identify those involving research abroad as distinct from simply requiring research on foreign affairs trends and topics. Government Financed Research Projects Concerning Foreign Policy or Foreign Areas Reported as Currently Underway.[1]

AGENCY FOR INTERNATIONAL DEVELOPMENT

Development of Methodology for the Determination of Design Capabilities of Small Water Supplies, $40,000.

Research on Family Planning—F.P. Evaluation Center, $1,483.

Determinants of Family Planning Attitudes and Practices, Phase II, $106,105.

Epidemiology of the Outcome of Pregnancy, $443,855.

Utilization of Family Planning Services, $360,303.

Inter-American Investigation of Mortality in Infancy and Childhood, $1,176,000.

A Study of Changes in Authority and Leadership Patterns in Indonesia and Their Related Values, $19,850.

Participation Patterns in Modernizing Societies, $326,401.

Implementation of Title IX Objectives, $89,249.

International Fertility Research Program, $3,106,000.

Post-Election Behavior and Attitudes of Defeated Vietnamese Candidates for Election to the Lower House, $16,000.

Cross Cultural Research in Fertility Behavior, $853,164.

Research on Reversible Sterilization, $213,511.

Inter Migration and Urban Population Pressures in Latin America, $226,100.

Research in Prostaglandins in Relation to Human Reproduction, $821,025.

Effectiveness and Cost-Efficiency of Instructional Technologies, $239,734.

Distribution of Gains, Wealth and Income from Economic and Political Development, $590,000.

Population/Family Planning Research in the Middle East (American University in Cairo), $805,000.

Health and Family Planning, $1,389,390.

Regional Aptitude and Training, $624,593.

The Role of Bureaucracy in Economic Development: The Case of the Provincial and County Bureaucracy in Contemporary Korea, $8,200.

Population Studies Migration and Growth, $900,000.

Constitution-Making in South Vietnam—The Constituent Assembly of 1966–67 and the Constitution, $11,000.

Development of Political Party Linkage Between Central Government and Grass Roots, $9,000.

Measure and Evaluate Economic Growth and Development Effects of Food and Shipments and Investment Projects Under PL 480, $410,331.

Exchange Control, Liberalization and Economic Development, $426,400.

Import Substitution and Economic Policy in Economic Development, $177,316.

Employment and Unemployment in the Developing Countries, $983,416.

Analysis of Capital Formation and Technological Innovation at the Farm Level in LDCs, $1,013,000.

Water Management Research in Arid and Sub-Humid Lands of the LDCs—*ASIA*, $1,001,240.

Water Management Research in Arid and Sub-Humid Lands of the LDCs. *LA*, $1,311,750.

Employment Generation in West and Central African Agriculture, $270,000.

Agriculture Diversification and Trade, $362,000.

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[1] Many of these projects are believed to involve research abroad.

Impact of New Agricultural Technology on Rural Employment and Income, $486,000.

Nutritional Improvement of Rice by Fortification with Synthetic Amino Acids & Vitamins, $405,181.

Adapting and Testing of Agricultural Simulation Model to Sector Analysis, $402,500.

Credit, Social Networks, and Commercial Control: An Examination of Marketing Processes in South Vietnam, $28,288.

Viet Cong Taxation, $1,010,538.

DEPARTMENT OF AGRICULTURE

Agricultural Production Potential and Cultivator Decision-Making Influenced by Environmental Factors in Northern India, $10,928.42.

Determination of Feasible Models of Cooperative Societies for Different Socio-economic Conditions, $44,501.35.

Impact of Japan's Changing Food Marketing Systems on U.S. Farm Exports, $6,500.

Marketing Margins and Seasonal Price Variations of Agricultural Commodities in West Pakistan, $51,057.

Long-Term Projections of Supply and Demand for Agricultural Products in Indonesia, $100,000.

Forecasting Livestock Inventories in Selected West European Countries, $41,027.

Economic Relationships Between Dairying and Crop Production in Some of the Developing Rural Parts of India, $23,736.84.

Empirical Analysis of Problems Related to Growth of the Agricultural Sector, $135,952.85.

Diversified and Specialized Production on Individual Farms, $59,412.

Changing Farm Production and Organization in the Developing Agriculture of Western India, $72,771.

The Impact of Technological Changes on Per Unit Cost and Return in Agriculture in West Pakistan, $47,630.

Economics of Groundwater Development and Use in Punjab, West Pakistan, $99,173.

Cooperator Effectiveness Study—Japan, $12,083.

Nielsen Retail Index Service—Belguim, $17,054.

Yield-Increasing Methods of Rice Cultivation and Economic Development, $38,951.

Survey of Agricultural Economic Research Studies on European Economic Community, $20,360.

ARMS CONTROL AND DISARMAMENT AGENCY

The Effects of a Chinese Nuclear Force on U.S. Strategic and Arms Control Policies in the 1970's, $50,000.

Estimates of Military Expenditures in Eastern Europe, $24,266.

Economic Verification of Chemical Warfare Arms Control Agreements, $49,280.

DEPARTMENT OF DEFENSE

A Systematic Framework for PSYOPS, $175,000.

Soviet and Chinese Military Policy, $157,400.

Asian Security Issues, $178,600.

Implications of European and Mediterranean Dispositions, $161,500.

Psychological Operations Automated Information System, $110,000.

A Feasibility Study of a System for Debriefing MAAG Advisors (DEBRIEF), $150,000.

Regional Middle East PYSOP Considerations, $113,000.

A Social and Behavioral Science Information System Relevant to U.S. Army Activities, $255,000.

A Political-Military Framework for European Security: Phasing the Nixon Doctrine, $44,972.
Salt and Its Relationship to U.S. Nuclear Weapons Policy, $30,870.
U.S. Military Options and Indigenous Military Capabilities Concerning Civil Strife in the Third World, $170,000.
Defense Studies in Thailand, $1,300,000.
Supervision of Local National Employees (Edge), $188,000.
U.S. Army Area Handbooks, $1,000,000 Per Annum.
Quantitative and Empirical Study of Strategic Interaction, $392,000.
Personnel Technology: Developing Combined Action Capabilities for Vietnam and Future Contingencies, $283,611.
Communication Data on Korean Audiences, $200,000.
Study of Food Resources in South American Countries as they Relate to Military Problems, $8,000.
Development of a Method for Training Military Personnel for Interaction with Foreign Nations (COPE), $210,000.
USSR Objectives and Activities with Respect to Penetration of Latin America, $60,500.

OFFICE OF EMERGENCY PREPAREDNESS

Study of Import of LNG/LPG Import Regulations, $20,000.

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

Historical Atlas of South Asia, $331,913.
Rationale for Variations in Existing Income Maintenance Programs, $31,429.
Studies of Group Upbringing, $298,094.
An Analysis of the Process of Cultural Change, $43,689.
Influence of Industrialization on the Health of Workers in the Community of Ivangrad, $1,400,000.
Cross-Cultural Cognitive Studies, $9,859.
African Studies, in French for Elementary Grades, $124,608.
Achievement and Personality Characteristics of School Children in Relation to Environment, $57,000.
Organization, Function and Results of Social Self-management at the Institutions of Higher Education and their Associations, $34,888.
Materials for Education of Handicapped Children, Phase I Deaf, Phase II Mentally Retarded, $1,233,708.
The Development of Behavior Dimensions for Emotionally Disturbed Children: A Study of Relevant Indicators for Classroom Techniques, Therapeutic Methods, and Prognosis, $407,178.
Assassination and Terrorism, $38,200.
Processes of Cultural Lexical Change, $47,700.
Field Study of Law and Conflict, $19,700.
Comparative Research on Law and Conflict, $82,300.
The Determinants and Prediction of Suicide, $6,800.
Patterns of Enculturation, $5,000.
Compilation of a Research Guide and Manual for Traditional China, $9,970.
Ming Bibliographic History Project, $25,254.
Cultural Variations in the Development of Learning Strategies, $87,073.
Education and American Colonialism in Cuba, 1898–1909, $9,280.
A Study of Children's Aggressive Actions in Six Cultures, $37,587.
Study of Archaeological Virola Snuff from Bolivia, $3,000.
Folk Use of Medicinal Plants, $5,000.
Stress and Susto in a Mexican Indian Community, $6,000
Social Change in a Plural Society, $102,700.
Prisoner Responses to Various Types of Institutions, $20,800.

DEPARTMENT OF JUSTICE

The mentally Abnormal Offender in Sweden: An Assessment of Legal Standards and Procedures, Funds unknown.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Research Studies Basic to the US Purpose of Promoting International Cooperation in Space, $118,089.

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NATIONAL ENDOWMENT FOR THE HUMANITIES

Humanitarian Intervention Through the United Nations, $23,132.
Marxist-Humanists and Social Action, $14,984.
War and Peace in Modern Asia, $7,296.
Modern Economic History of China, ca. 1800–1949, $15,500.

NATIONAL SCIENCE FOUNDATION

Subethnicity and the Local Political Process Among Rural Malaysian Chinese, $5,300.
Ethnoeconomics on Ulawa, British Solomon Islands Protectorate, $2,300.
Travel of South African Educators to Attend NSF Supplementary Training Programs, $5,500.
An Analysis of the Yugoslav Economic System, $19, 250.
Research in Economics, $5,100.
The Political Economy of Agricultural Development in India, $2,500.
Cash Crop Farming and Social-Economic Change in a Yucatec Maya Village in Northern British Honduras, $4,150.
Technological and Social Change in the Malagasy Republic, $2,750.
Studies of Social Disorganization, Funds unknown.
Theory and Practice of Integration of Centrally Planned Economics, $14,100.
United States-India Exchange of Scientists and Engineers Program, $1,420.
Political Dimensions of the Technical Transformation of Chinese Agriculture, $3,300.
Multivariate Longitudinal Analysis of Conflict and Cooperation, $4,300.
Econometric Investigations of Technological Change, $56,900.
Demographic Approaches to Social Behavior, $21,850.
Comparative Study of Unemployment in Israel and Los Angeles, $3,650.
First Conference on Research Priorities for the Andean Region, $1,000.
An Ethnographic Study of the Buin, $2,950.
The Cost and Value of Children in a Javanese Village, $4,056.
Cross-National Study of the Social Aspects Involved in Industrialized Production Approaches to Housing, $38,200.
Social Structure of Schools and the Socialization of Values, $5,950.
Large-Scale Integration in Urban Planning with Trial Application to The Banja Luka Region of Yugoslavia, $30,000.
Collaborative Research on North American Indian Societies, $15,750.
The Structural Analysis of a Narrative Culture, $30,900.
Linguistic Relationships, $64,450.
Quantitative Research in Economic Development, $65,000.
Collaborative Research on North American Indian Societies, $21,250.
Symbiosis and Opposition in Inter-Group Relations, $33,450.
Collaborative Research on European Economic Integration, $23,700.
Ethnography of the Quecha Indians of Eastern Ecuador, $14,700.
Urban Aspects of Family and Kinship in Japan, $25,850.
Industrialization and Central Planning in Bulgaria, $17,050.
Excavation of Middle Stone Age Sites in South Africa, $45,150.
An Exploratory Field Study of the Ecology and Social Behavior of a Population of Australian Aborigines, $1,400.
Family Structure and Population Trends in Taiwan, $46,150.
Preceramic Occupations of Highland Ecuador, $9,200.
Study of Mon-Khmer Dialects, $3,600.
Archival Research Utilizing Processed Social Science Data on India, $67,900.
The Indian in Colonial Ecuador and After Independence, $21,800.
Ecology of A Fishing Community, $13,000.
Demographic Analysis of USSR Ethnographic Data, $9,896.
Economics, $3,700.
Formal Analysis of Pushton Social Interaction, $3,744.
The Social Economics of a Religious System in a Mexican Municipio, $3 000.
Collaborative Research on Comparative Socialization, $52,600.
Deductive Analysis of Electoral Processes, $70,700.
Settlement Pattern at Tenochtitlan, $10,300.
Nomad-Sedentary Relations, $16,400.
Marketing Patterns and Social Mobility of Merchant Castes in India—Doctoral Dissertation Research, $2,325.

Components of a Complex Society, $26,556.
A Dictionary of the Paiwan Language in Taiwan, $5,500.
Movement and Communication Patterns of Urban Households, $71,300.
Social and Economic Attributes of a Rural Society, $75,000.
Collaborative Research on Comparative Socialization, $13,900.
Cultural Rules in a Tropical Forest Society, $19,550.
Roles of Local Government Administrators and Politicians in Mysore, $1,400.
The Role of Women in a New Guinea Highlands Society, $2,800.
Labor Protest in Colonial Kenya—Doctoral Dissertation Research, $2,150.
Testing of Theories of Political Fragmentation, $28,400.
The Cultural Ecology of an Isolated Community, $3,600.
Modern and Traditional Iran, $19,650.
South Asian Semantic Structures, $28,250.
A Project to Film the Janomamo Indians of Southern Venezuela For Anthropological Teaching and Research, $92,700.
Argentine Society—Structure and Change, $20,450.
Political Participation, Social Structure, and Social Networks in Israel—Doctoral Dissertation Research, $7,300.
Urban In-Migration in European Russia—1861–1914—Doctoral Dissertation Research, $2,100.
Comparative and Methodological Studies in Human Ecology, $49,200.
Citizen Participation in Community Decisions, $28,230.
Communication Flow and Decision-Making Process in Rural Communities, $40,100.
An Aspect of the Constitutional Crisis Within the Canadian Federal System, $1,950.
A Comparative Study of Migration in Two Mexican Cities, $3,400.
Cholan Linguistics, $21,350.
Influence Structure and Ogranizational Innovation in Transitional Societies, $5,200.
Rewarding Self and Others—A Cross-Cultural Study, $3,000.
Preparation of the Handbook of Middle American Indians, $33,100.
Conference on Sociological Research, $5,700.
Research on Indo-European Noun Morphology, $13,950.
The Impact of a Developing National Television System, $48,000.
In-Migration and Urban Growth, $4,968.
Ethnic Relations and Social Stratification in the City of Oaxaca, Mexico, 1521–1700, $1,400.
A Comparison of the Economizing Behavior of Tenant and Owner Farmers, $4,500.
The Effects of Economic Change in Adoption Patterns, $5,700.
Macrosocial Accounting System for Developing Countries, $46,100.
Politics of Conquest in British East Africa 1893–1902, $21,400.
The Ethnography and Linguistics of the Dime Tribe, $20,300.
Comparative Models of Educational and Occupational Achievement, $10,560.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Economic Effects of U.S. Private Investment in Less-Developed Countries, $71,382.

DEPARTMENT OF STATE

Implications of Economic Growth in Africa,[1] $34,995.
The Japanese Computer Industry, $25,000.
A Selective Directory of African Programs of U.S. Organizations, $20,000.
Chinese/English Translation Assistance (CETA) Symposium, $5,000.
U.S. Investment in Mexico: Its Economic Role, $5,000.
Conference on Effects of Rapid Population Growth on Political Change in the LDCs, $2,050.
Relation of Direct Investment to Trade Flows, $37,500.
Possible Role of the UN and Other International Organizations in the Economic Rehabilitation of Vietnam, $42,935.
Trends in Latin America in the 1970's, $37,575.
Communist World Outlook Handbooks, $20,633.
Inter-Agency Policy Related Decision Processes, $40,200.
Outlook for Peaceful Settlement of Disputes Through the OAS, $5,000.

Security Assistance/Economic Policy Automated Data Base, $40,000.
Political Succession in Communist Countries,[1] $32,550.
Political-Military Developments—Europe.[1] $66,961.
Foreign Policy Implications of Selected Nuclear Developments, $43,930.

UNITED STATES INFORMATION AGENCY

French Language Book Program Evaluation (Ivory Coast, Zaire), $41,700.
African Opinion Rider Surveys (Ivory Coast, Kenya, Zaire), $10,000.
VOA Swahili Study, $1,500.
Local Program Evaluation, $5,000.
Nigerian Current Awareness Study, $700.
VOA Mail Survey in India, $1,050.
Israeli Opinion Poll Purchase, $2,275.
Arab Area Radio Data, $8,000.
Kuwait Media Habits, $1,000.
Radio Listening in Morocco and Tunisia, $4,800.
Media Habits in Saudi Arabia, $25,000.
Japan Opinion Rider Surveys, $10,000.
Thai BNC Evaluation Study, $10,000.
Image of the U.S. in Japan, $25,000.
British Opinion Survey, $1,100.
Informations et Documents Evaluation Study, $15,000.
Mondo Occidentale Evaluation Study, $5,000.
London Periodical Evaluation Study, $1,075.
VOA Transistor Contests, $27,200.
VOA Mail Surveys (4), $11,800.
VOA Worldwide English Listenership Study, $12,000.
Media Habits of Regional Yugoslavs, $5,000.
Implications of SALT, $14,500.
Media Habits in the USSR, $40,000.
Opinion Toward U.S. Investment in Europe, $5,000.
Greek Ecology Rider, $1,000.
Western Europe Opinion Analysis, $2,000.
Public Opinion in Chile, $6,003.
Colombia Foreign Business Study, $3,150.
Latin America Book Translation Programs Study, $30,000.
Facetas Evaluation Study, $1,560.
IBS Listener Club Mail Survey, $800.
Problemas Inter-Nacionales Readership, $10,000.
Research and Development Exhibit Evaluation, $13,810.
Korea VOA Assessment, $20,000.
Pakistani Influence Structure, $14,500.
Sociology of Soviet Audiences, $44,000.
Pakistani Student Attitudes, $5,000.
Image of the U.S. in Latin America, $22,000.
Brazil Evaluation Study, $10,000.
New Economic Policy Study, $13,802.
Foreign Propaganda Analyses, $39,535.
World Today Readership Study, $12,000.
International Radio Listening in Mainland China, $10,920.
Estimated Readership of a Special Language Version of *Viewpoints*, $1,500.
Language Preferences Among Indian Audiences, $8,000.
Image of the U.S. in Urban India, $4,000.
Colombia Media Habits Study, $4,000.
Foreign Opinion of The President's Trip to Peking, $41,500.
Pre-China Visit Survey, $35,000.
The International Information and Cultural Programs of the USSR, $54,500.
VOA Transistor Contest Mail Follow-up Study, $11,800.
Reading Interest Study for Al Majal Magazine, $18,000.
The International Information and Cultural Programs of France, $15,000.
VOA Listening by Urban Educated Moroccans and Tunisians, $9,000.
Survey of Moroccan Reading Interests and Publications Readership, $8,000.

[1] Involve research abroad.

VETERANS ADMINISTRATION

Pahlavi Nutrition Research Project, Funds unknown.

Question 8. How much does it cost to prepare and produce the publication of your Bureau entitled "World Strength of the Communist Party Organizations, 22nd Annual Report"?

Answer. The publication, produced annually, and now in its 22nd year costs $4000.00 and was distributed this year in 2300 copies. It is the only survey in the public domain prepared by the U.S. Government on this subject.

Question 9. The Subcommittee on Foreign Affairs Research of the National Security Council publishes a bimonthly newsletter. How many people does this go to and what is the total cost of preparing and publishing it?

Answer. Total cost: $28,400. Normal distribution: 1600 copies. The number varies because a part of the distribution is through sales. This publication is called "*FAR Horizons*" and 6 issues were published in 1971.

STATEMENT OF WILLIAM B. MACOMBER, JR., DEPUTY UNDER SECRETARY OF STATE FOR MANAGEMENT

The CHAIRMAN. Mr. Macomber, are you still willing and able to appear?

Mr. MACOMBER. I am certainly willing, Mr. Chairman.

USE OF COMPUTERS IN DISCLOSURES TO FOREIGN COUNTRIES

Senator AIKEN. I forgot to ask Mr. Cline if they use computers in determining what was disclosed to foreign countries.

The CHAIRMAN. Senator Aiken said he wanted to know if you used computers in determining what was disclosed to foreign countries.

Mr. CLINE. We use computers to compile and sort information which we might send to foreign governments. The judgments as to what should be released are made by human beings.

Senator AIKEN. For the record then, you do not depend on the computers.

Mr. CLINE. No, sir.

Senator AIKEN. It would be an interesting possibility.

The CHAIRMAN. Mr. Macomber, we are very glad to have you. Do you have any statements you would like to volunteer here?

STATEMENTS FOR THE RECORD

Mr. MACOMBER. Mr. Chairman, I have no lengthy statement to volunteer. I do have a series of statements by various office heads which cover the other portions of the budget request which have not been discussed in oral testimony, and with your permission, I would like to submit them to the committee.

The CHAIRMAN. We would be very glad to have them. After we have a chance to look at those and to review the record, the staff will probably have some questions that they in return will submit to you later on.

(The statements referred to follow:)

STATEMENT OF FRANCIS L. KELLOGG SPECIAL ASSISTANT TO THE SECRETARY OF STATE FOR REFUGEE AND MIGRATION AFFAIRS

Mr. Chairman and Members of the Committee: As the Special Assistant to the Secretary for Refugee and Migration Affairs, I and my supporting Office are

responsible under direct delegation from the Secretary for refugee and migration matters in the Department of State. This involves the formulation of broad U.S. Government policy, the establishment of goals, and the evaluation of the entire United States effort in these fields (authorized under P.L. 87–510, the Migration and Refugee Assistance Act of 1962).

Within these outlines, we exercise in the Department of State policy direction and operational control of refugee and migration programs and assure that refugee and migration affairs receive due consideration in the reaching of foreign policy decisions since these matters often figure prominently in international problems. I and my staff represent the United States and maintain liaison with intergovernmental bodies, voluntary agencies, religious and ethnic groups, and other organizations concerned with refugees and migrants. We are a focal point within the United States Government for action and information in these fields.

Mr. Chairman, to finance these activities we are requesting a total of $8,212,000 for Migration and Refugee Assistance under the Migration and Refugee Assistance Appropriation. A total of 49 positions are required—36 Americans and 13 local—of which 29 are in Washington and 20 in Geneva and Hong Kong.

In carrying out our responsibilities, we have recently undertaken and completed such tasks as the drafting and dissemination of Government-wide asylum policy and procedures; the coordination of the U.S. Government relief effort for the Bengali refugees in India, a $90.845 million program; and providing leadership in assistance to minority refugees, including thousands of destitute Jews, leaving the Soviet Union in unprecedented numbers. While assuming new responsibilities, we continue to carry out previous ones. Specifically, through contracts with international voluntary agencies, we operate the U.S. Refugee Program (USRP), under which 14,000 refugees from Eastern Europe were resettled in 1971, as well as the Far East Refugee Program (FERP), under which a variety of assistance is given to refugees from China. We deal with numerous individual requests for asylum, frequently furnishing written opinions to the Immigration and Naturalization Service.

Mr. Chairman, in order to carry out these responsibilities, we reply upon and maintain close contact with the following: the United Nations High Commissioner for Refugees (UNHCR) who provides international legal protection for refugees and is an international vehicle through which the United States can join other countries in contributing to the solution of refugee problems; the Intergovernmental Committee for European Migration (ICEM), a non-U.N., 31-member government organization devoted to the principle of freedom of movement, which provides quick and economical transportation for refugees through its worldwide arrangements with transportation companies; the International Committee of the Red Cross (ICRC), with its unparalleled record of humanitarian assistance in every part of the world, regardless of political conditions; and the voluntary agencies both abroad and here in the United States. These agencies, representing major religious and ethnic groups in the United States, are particularly helpful in dealing directly with individual refugees on very human terms and contribute immense resources in effecting permanent resettlement at little or no cost to the U.S. Government.

Through the teamwork of these experienced organizations, each of which plays a distinct though complementary role, the flow of refugees is maintained from asylum countries to their new homes. This makes it possible for Western European countries which have generously given them asylum to keep their borders open to a continuing flow.

I believe that the ready responses to refugee and migration problems which my office and the cooperating international organizations and voluntary agencies are able to make play a major role in relieving international tensions. They also serve to show the world that the United States has not abandoned its traditional role as a leader in the field of humanitarian assistance, that America still cares, and that it will meet its responsibilities in an organized manner.

(Committee staff note: The following table provides additional material about migration and refugee assistance activities of the Department of State:)

DEPARTMENT OF STATE
MIGRATION AND REFUGEE ASSISTANCE

Appropriation, 1972	$8,690,000
Decrease, Presidential Reduction: Directive of August 15, 1971	- 13,000
Total Obligations, 1972	8,677,000
Transfers from Foreign Assistance Funds by Presidential Determination	
72-1	+5,000,000
72-6	+1,850,000
Total Availability 1972	15,527,000
Estimate 1973	8,212,000
Decrease	-7,315,000

Program by Activities:	1972 Appropriation	1972 Presidential Determination	1972 Total Program	1973	Increases/Decreases 1972 Appropriation	Increases/Decreases 1972 Total Program	Justification Page
1. Intergovernmental Committee for European Migration (ICEM)	$3,250,000	-	$ 3,250,000	$3,225,000	-$25,000	- $ 25,000	4
2. United Nations High Commissioner for Refugees (UNHCR)	1,000,000	-	1,000,000	1,000,000	-	-	6
3. United States Refugee Program (USRP)	2,900,000	$1,850,000	4,750,000	2,400,000	-500,000	-2,350,000	8
4. Far East Refugee Program (FERP)	500,000	-	500,000	500,000	-	-	11
5. Refugees from East Pakistan	-	4,825,000	4,825,000	-	-	-4,825,000	-
6. International Committee of the Red Cross (ICRC)	50,000	-	50,000	50,000	-	-	12
7. Administration	977,000	175,000	1,152,000	1,037,000	+ 60,000	- 115,000	14
Total Obligations	$8,677,000	$6,850,000	$15,527,000	$8,212,000	$-465,000	$-7,315,000	

ANSWERS TO QUESTIONS SUBMITTED TO FRANK L. KELLOGG, SPECIAL ASSISTANT TO THE SECRETARY OF STATE FOR REFUGEE AND MIGRATION AFFAIRS BY THE CHAIRMAN FOR THE RECORD

Question 1. What bearing, if any, will the President's recent policy initiatives toward China have on the Department's program in Hong Kong for Chinese refugees? How much is being asked for Chinese refugee work in FY 1973 compared with FY 1972?

Answer. The Far East Refugee Program is one of several U.S. humanitarian refugee programs in various parts of the world administered by the Office of Refugee and Migration Affairs to assist those who flee persecution or oppression and seek an opportunity to live their lives in freedom. Our assistance to such people has never been directly affected by the status of our negotiations on other issues or of our diplomatic relations with their home countries. We do not believe that we should allow our initiatives toward China to influence us to make any exception to our general criteria for refugee assistance which might appear to conflict with or compromise our national policy of assisting the persecuted.

$500,000 is being requested for FERP in FY 1973, the same amount as in FY 1972.

Question 2. What are the respective roles of the State Department and AID in U.S. assistance for refugee relief in Bangladesh and India? What is the process for coordination and control?

Answer. The U.S. contribution to the program of humanitarian assistance to Bangladesh, in which repatriated refugees are not distinguished from other citizens, is administered by AID, with policy guidance from the State Department, just as was the case of the U.S. contribution to the pre-war humanitarian assistance to East Pakistan.

By contrast, the Special Assistant to the Secretary of State for Refugee and Migration Affairs (S/R) was coordinator of U.S. assistance for the relief and repatriation of the refugees from East Pakistan (now Bangladesh) and chairman of the Interagency Committee on Pakistani Refugee Relief, later renamed Interagency Committee on South Asian Refugee Assistance. Through this Committee, responsibility was shared with AID, the State Department's Bureau of Near East and South Asian Affairs (NEA). OMB, Defense, Action, Agriculture and USIA, although S/R, AID/NESA and NEA were the most involved in day-to-day management of the program. A State/AID agreement divided these management responsibilities as follows:

(a) The office of S/R to collect, evaluate and disseminate information, formulate policy, develop program proposals, monitor program effectiveness, serve as liaison with the UN High Commissioner for Refugees (UNHCR), other international organizations and private voluntary agencies and directly administer a portion of the U.S. funds allocated to refugee relief.

(b) NEA to provide political guidance, in consultation with the NSC staff, and exercise leadership in the conduct of U.S. relations with the countries concerned.

(c) AID, as the initial recipient of the refugee relief funds, to administer that portion not transferred to State by Presidential Determinations and by AID allocations, manage PL–480 assistance in cooperation with Agriculture, pay the shipping expenses of private voluntary agencies, select suppliers and contractors for its procurement and assure coordination between this program and the East Pakistan humanitarian assistance program.

The same shared responsibility, exemplified by clearance of all decisions and actions by both State and AID in Washington, was true in the field, where the Embassy and USAID in New Delhi and the Consulate General in Calcutta reported on the relief effort. End-use checks were the responsibility of UNHCR, under whose auspices all of our assistance was provided.

In financial terms, administrative responsibility for funds was divided as follows:

State:	
S/R ORM regular budget	$500,000
3 Presidential Determinations	15,000,000
AID allocation to S/R ORM	3,250,000
Total S/R ORM	18,750,000
AID:	
3 grants to UNHCR	16,750,000
Volag ocean freight	250,000
PL–480 food	55,125,000
Total AID	72,125,000
Total USG	90,875,000

Question 3. What is the proposed U.S. contribution for FY 1973 for the Intergovernmental Committee for European Migration? How much will ICEM receive from other governments this year and what percentage is the U.S. contribution of its total budget?

Answer. The proposed U.S. contribution for FY 1973 is $3,225,000. The FY 1972 ICEM contribution will be $3,250,000. Other governments will contribute approximately $13,708,050 to ICEM's Proposed Budget for 1972. Of the total budget $21,476,250 which includes all available resources, the U.S. contribution will be approximately 15%.

Question 4(a). What role does the ICEM play in the movement of Jews from the Soviet Union to Israel?

Answer. ICEM contributes towards the cost of transportation from Western Europe to Israel. The amount and percentage of this contribution are worked out between ICEM and the Jewish Agency for Israel, based on the anticipated rate of movement. Currently, ICEM's portion is about 50% of the total cost.

Question 4(b). How many Jews from the Soviet Union immigrated to Israel last year? How many are expected this year?

Answer. About 14,000 Jews migrated from the USSR to Israel in 1971. Estimates of migration in 1972 range from 25,000 to 65,000. On the basis of some 5,000 in January and February and on an anticipated increase in requests for exit permits by Soviet Jews, we think that the 1972 movement will be about 40,000. Of course, the number of Jews who actually immigrate would depend on the number of requests the Soviet authorities are willing to approve.

Question 4(c). What restrictions does the Soviet Union currently impose on Soviet Jews who wish to emigrate to Israel?

Answer. There is no clear-cut pattern on which to base an answer to this question. Approval on requests for exit permits seem to be haphazard, on the whole. We do note that Jews in some areas, notably Georgia, are much more successful than those in other areas.

Question 4(d). What is the total estimated assistance for Soviet Jews provided by the U.S. last year? Estimated for FY 1973?

Answer. In 1971, the U.S. provided $210,000 through the U.S. Refugee Program for care and maintenance in Western Europe. In addition, the Intergovernmental Committee for European Migration, to which the U.S. contributes, provided transportation assistance. We expect to contribute $2,600,000 towards these programs in 1972 and $2,800,000 in 1973, exclusive of any AID funds the Government of Israel may spend on the integration of refugees.

Question 5(a). How many refugees did the U.S. admit last year as permanent immigrants, by nationality?

Answer. While figures and nationality breakdowns are not available, approximately 2,220 refugees were admitted into the U.S. during the calendar year 1971 on regular immigrant visas.

Also, according to available sources a total of 10,247 more refugees were admitted into the United States during 1971 under Sections 203(a)(7) and

212(d)(5) of the Immigration and Nationality Act. A nationality breakdown follows:

Albania	31
Algeria	1
Austria	32
Belgium	1
Bulgaria	216
Ceylon	11
China	1,314
Cuba	2,816
Czechoslovakia	421
France	24
Germany	7
Great Britain	4
Greece	13
Hong Kong	345
Hungary	670
Iran	1
Iraq	84
Israel	13
Italy	45
Jordan	1
Latvia	2
Lebanon	24
Libya	2
Macao	4
Palestine	2
Poland	441
Rumania	544
Spain	3
Sudan	1
Syria	83
Turkey	55
USSR	120
UAR	315
Yugoslavia	2,601
Total	10,247

An additional 37,062 Cuban refugees were admitted into the U.S. directly from Cuba as parolees, making an aggregate total of 47,309 refugees who were admitted to the U.S. during 1971.

Question 5(b). How many foreigners were granted political asylum last year?

Answer. Approximately 740 aliens were granted political asylum as of December 1971.

Question 5(c). Would you provide a list of the voluntary agencies to which the State Department has furnished aid for refugee work and the amounts allocated to each this fiscal year?

Answer. Due to the fact that FY 1972 funds are just now available commitments to date have been minimal. The following is a list of expenditures for assistance to refugees for CY 1971 under contracts between Department of State (not including AID) and Voluntary Agencies.

African American Institute	$562,814
American Fund for Czechoslovakia Refugees, Inc	191,500
American Immigration and Citizenship Conference	13,000
American Jewish Joint Distribution Committee, Inc	238,300
CARE, Inc	1,430,000
Catholic Relief Services-USCC	1,733,900
Church World Service	500,000
Hong Kong Christian Service	55,350
International Catholic Migration Commission	588,700
International Rescue Committee	869,850
International Social Service	3,000
Lutheran World Federation	30,000
Lutheran World Relief, Inc	500,000
Polish American Immigration and Relief Committee	139,000
Tolstoy Foundation, Inc	259,000

Question 6. Would you list all other government programs under which we give aid for refugees, such as that for Cuban refugees, the amounts budgeted for each this fiscal year, and the appropriation bill which provided the funds?

Answer. The programs for aid to refugees for FY 1972 are as follows:

PL 92-242

Migration and Refugee Assistance:	
1. Intergovernmental Committee for European Mitgration (ICEM)	$3,250,000
2. United Nations High Commissioner for Refugees (UNHCR)	1,000,000
3. United States Refugee Program (USRP)	2,900,000
Presidential Determination	1,850,000
4. Far East Refugee Program	500,000
5. Refugees from East Pakistan Presidential Determination	4,825,000
	$14,325,000
Contributions to International Organizations:	
U.N. Relief and Works Agency	13,300,000
Public Law 480 Commodities	8,900,000
	$22,200,000
Department of Health, Education, and Welfare: Assistance to Refugees in the United States Cuban Refugee Program)	$139,000,000
AID:	
Pakistan Refugees	$200,000,000
Laos Refugees	18,500,000
Viet Nam	22,000,000
Education and training for Southern African refugee students	150,000
	$240,650,000

PL-92-77

Education and Culture: Southern African Student Program	$338,000

PL 83-480

Food for Peace Commodity Programs

Region and Categories of Refugees:	
Africa, Various Sub-Sahara groups	$582,250
Asia:	
Hong Kong & Macau Chinese Refugees (1972 Macau only)	192,000
India, Pakistani (East)	51,149,000
Indonesia, Refugee Nationals	276,375
Laos, Laotian Refugees	279,875
Nepal, Migrants & expatriates from Assam & Burma, etc.	587,000
Viet Nam, South Vietnamese Refugees	6,289,375
Near East: Palestinian Arab Refugees and War-Displaced Persons	1,213,125(a)
Totals	$60,569,000

(a) Does not include value of commodities provided as part of the regular U.S. contributions to UNRWA.

Question 7(a). What, if anything, does your office have to do with the problems of war refugees in South Vietnam, Cambodia and Laos?

Answer. Due to the situation in Southeast Asia, our programs of assistance to persons displaced within their homeland because of the hostailities are administered by AID as an integral part of our overall supporting assistance activities. We, of course, keep closely in touch with developments there and participate in periodic reporting on the situation. Moreover, we are prepared to plan and coordinate any appropriate assistance programs needed when the political situation in the area changes and conditions permit such activity.

Question 7(b). Would you provide the Committee with an estimate of the number of people in each country who have been driven from their homes by the war?

Answer. *South Viet Nam*—Since 1965 there have been a total of 3,800,000 refugees registered by the Government of South Viet Nam.

In addition there were 1,000,000 persons displaced by the 1968 Tet and May offensives.

Also, in 1970, there were 200,000 ethnic Vietnamese repatriated from Cambodia to South Viet Nam.

The current number of refugees in South Viet Nam is as follows:

In temporary status	95,000
In resettelement process	70,000
In process to return to village	305,000
Total	470,000

Cambodia—There has been an estimated total of 2,000,000 persons displaced from their homes since March, 1970.

At present it is estimated that there are 300,000 refugees in Cambodia.

(In September, 1971, the Cambodian Commissioner General for War Victims estimated that 150,000 refugees were living in Phnom Penh and 70,000 in provincial capitols. In a report issued February 2, 1972, the GAO stated: "The total number of refugees in Cambodia is largely conjectural; as of October, 1971, there was no enumerating system.")

There is no U.S. Government program for refugees in Cambodia; however refugees do benefit indirectly from PL–480 programs and general economic assistance projects.

Laos—Total number persons displaced by war: 700,000.

The present number of refugees as of February 1972 is 238,000.

Question 7(c). How much is being spent by the United States on refugee relief work in each of these countries?

Answer. *South Viet Nam:*

FY 1971	$50,000,000
FY 1972	$28,000,000
Laos:	
FY 1971	$17,000,000
FY 1972	$18,500,000

STATEMENT OF HOWARD E. SOLLENBERGER, DIRECTOR OF FOREIGN SERVICE INSTITUTE, BEFORE THE FOREIGN RELATIONS COMMITTEE, UNITED STATES SENATE

The Foreign Service Institute is responsible for providing training and instruction to officers and employees of the Department of State and to other officers and employees of the Government for whom training and instruction in the field of foreign relations is necessary. The Institute also provides appropriate orientation and language training to members of family of officers and employees of the government in anticipation of the assignment of such officers and employees abroad.

In carrying out these functions, the Institute is charged with correlating such training and instruction with the training needs of the Department and other Government agencies and with courses of instruction given at private institutions.

In carrying out its training responsibilities, the Foreign Service Institute has the following specific objectives: to increase the qualifications and effectiveness of Foreign Service and Departmental personnel and personnel of other Federal agencies engaged in foreign affairs activities; to develop potential abilities of employees in order to increase their versatility, prepare them for increased responsibility, and make possible greater flexibility of assignment; to provide foreign affairs personnel with information concerning the American scene, both to keep them abreast of American thought and feeling and to give them insight into those special phases of American life which are particularly pertinent to their duties abroad.

The Department of State recognizes four basic professional career cones: political, economic, administrative, and consular. In this connection, the Institute specifically tailors courses of instruction for general career training of junior and mid-career officers as well as intensive functional specialization courses of instruction for Foreign Service personnel and their dependents. These programs of training include Administrative, Consular, Economic/Commercial, Political, Executive Development, Junior Officers Basic Training, Communications, and Clerical.

Language training is provided to officers and dependents engaged in the conduct of foreign affairs. This training is provided in Washington, at approximately 200 overseas posts, and three field schools in over 50 languages. This includes full and part-time training for periods of from 12 weeks to 24 months. In addition to language and area training for dependents, the Institute conducts a program of orientation to overseas service for wives. This two-week orientation course provides an understanding of the current American scene, some insights into cross-cultural communication and foreign policy problems.

The Department's language and area training responsibility are based on Section 500, Public Law 724, which states: "It is the policy of the Congress that chiefs of mission and Foreign Service officers appointed or assigned to serve the United States in foreign countries shall have, to the maximum practicable extent, among their qualifications, a useful knowledge of the principal language or dialect of the country in which they are to serve, and knowledge and understanding of the history, the culture, the economic and political institutions, and the interests of such country and its people."

Area and country study programs are designed to provide foreign affairs officers with a basic knowledge and appreciation of the people and institutions of the foreign countries to which they may be assigned. This training which complements the language training received by many officers enables the American official going abroad to be better prepared to deal effectively with foreigners in their own environment and to understand the dynamics of the foreign scene.

The Institute conducts a series of two-week seminars designed primarily for persons being assigned to an area for the first time. It also conducts advanced area studies for officers receiving long-term intensive language training.

The Senior Seminar in Foreign Policy is the most advanced program of study of factors influencing international relations and foreign policy offered in the U.S. Government. Each session which lasts from August to June is limited to an honor group of senior officers who are being trained for important assignments such as ambassador, AID director, and other equivalent-level positions. Two-thirds of the membership are officers of the Foreign Service; the remaining one-third are officers possessing an equal degree of achievement and length of service, nominated by the Armed Services and other Government departments and agencies. The main fields of study are history and institutions of the United States, major issues confronting American society, the domestic base of American power and current and prospective developments likely to influence U.S. foreign policy decisions in coming years, as well as discussions of current U.S. foreign policy.

The Foreign Affairs Executive Seminar provides a short-term course on U.S. foreign and national security policy to senior foreign affairs executives of U.S. Government agencies who are serving either in the U.S. or abroad.

The reasons for the existence of such a Seminar is that in this age of specialization and fast-moving events, it is considered of vital importance that the information of U.S. officials in the foreign affairs area not only be updated in a broad way concerning present U.S. foreign and national security policy across the board, but that the viewpoints of these officials be broadened to take account of other agencies' viewpoints and interests. In a world and a government that has of necessity become complicated and specialized, it is of paramount importance that the U.S. senior official not be myopic and parochial in his viewpoints and judgments.

The Department assigns a number of senior and middle-grade officers to universities, colleges and other institutions for advanced studies for periods ranging from a few months to an academic year. Programs of study include the administrative, the economic, the commercial areas as well as special university programs and fellowships, and Armed Services Colleges.

Under the Department's Extension Studies program, employees are encouraged to continue their education through after-hours study at educational institutions both in the United States and abroad, and through correspondence study. Employees may also attend recommended short-term training courses offered by other government agencies, and special conferences and seminars offered by private organizations and institutions. Training is conducted in such fields as administration, economics, international law, management, and other career-related fields.

In carrying out the training responsibilities of the Foreign Service Institute during fiscal year 1973, under the category of Administration of Foreign Affairs—Salaries and Expenses, we are requesting $3,282,259 in Instructional Expenses and $4,502,741 in Student Expenses for a total amount of $7,785,000. This is an increase of $55,000 over the amount available for fiscal year 1972.

(Committee staff note: The following table provides additional information about the activities of the Foreign Service Institute:)

FOREIGN SERVICE INSTITUTE

SUMMARY—DOMESTIC AND OVERSEAS

	1971 actual		1972 estimate		1973 estimate		Increase or decrease	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Average net permanent American positions and annual rate	296	$5,463,540	295	$5,459,363	295	$5,459,363		
Estimated net cost of permanent American employment (Central American salary account)[1]		5,898,893		5,982,000		5,983,500		−$18,500
Operating expense funds managed by this office[2]		1,461,183		1,748,000		1,821,500		+73,500
Total		7,380,976		7,730,000		7,785,000		+55,000

EXPLANATION OF DECREASE AND INCREASES

	Centrally managed American salary account			Operating expenses of this office		
	Number	Amount	Page	Number	Amount	Page
Decrease: Extra days' pay		−$45,100	11		−$500	18
Increases:						
Annualization: 1972 local employee wage increases					+3,500	18
Within-grade salary increases		+26,600	11		+2,100	19
Local employee wage increases, 1973					+5,500	171
Price increases					+18,200	171
Improved support					+44,700	173
Total increases		+26,600			+74,000	
Net increase/decrease		−18,500			+73,500	

[1] In addition to salary costs includes retirement, health benefit, and life insurance contributions; terminal leave; hardship post differential; and similar costs.
[2] Includes salaries for local positions: 1971—12; 1972—12; 1973—12.
Total positions (American and locals): 1971—308; 1972—307; 1973—307.

ANSWERS TO QUESTIONS SUBMITTED TO MR. SOLLENBERGER, DIRECTOR, FOREIGN SERVICE INSTITUTE BY THE CHAIRMAN FOR THE RECORD

Question 1(a). Would you give a rough breakdown, please by agency, of the students expected to attend the Foreign Service Institute in FY 1973?

Answer. The estimated enrollement by agency expected to attend the Foreign Service Institute in FY 1973 is as follows: State 8,400; AID 1,400; USIA 1,100; Defense 1,900; other 800 for a total of 13,600.

Question 1(b). Is the Foreign Service Institute reimbursed by other agencies for the costs of training? What is the estimated amount of reimbursement, by agency, expected in FY 1973 compared with the total costs for operation of the Institute?

Answer. The gross FSI instructional operating budget for FY 1973 is estimated at $6,082,300 of which $3,282,300 is State direct and $2,800,000 is derived from reimbursements. Additionally the State budget includes $4,402,700 for student expenses (i.e.—salaries, allowances, per diem) for a total State budget of $10,585,000. The reimbursement amount of $2,800,000 by agency is as follows: AID $465,300; USIA $581,300; Defense $365,700; other $1,387,700.

Question 2. Would you list, by university or institution (including military colleges), the officers receiving advanced training, and the cost, for the latest available year?

Answer. Attached is the list of the officers receiving advanced training in FY 1972. (See Attachment #1)

OFFICERS RECEIVING ADVANCED TRAINING AT UNIVERSITIES AND INSTITUTIONS

Attachment #1

	NAME OF OFFICER	COURSE OF INSTRUCTION	TUITION AND RELATED COSTS
A. Armed Services Colleges			
Air War College (Maxwell Air Force Base, Alabama)	Briggs, J.		No Tuition Cost
	Dobles, T.		No Tuition Cost
	Fergueson, H.		No Tuition Cost
Army War College (Pennsylvania)	Kux, D.		No Tuition Cost
	O'Donohue, D.		No Tuition Cost
Armed Forces Staff College (Norfolk, Virginia)	Kelly, J.		$ 1,762
	Martin, J.		1,762
	Hurley, J.		1,762
Industrial College of Armed Forces (Ft. McNair, Washington, D.C.)	Cahill, H.		No Tuition Cost
	Shaw, C. G.		No Tuition Cost
	Wiggins, F.		No Tuition Cost
National War College (Ft. McNair, Washington, D.C.)	Arenales, A.		600
	Beyer, G. R.		600
	Briggs, E.		600
	Davis, T. W.		600
	Farber, J. P.		600
	Gardner, P.		600
	Gim, W.		600
	Horowitz, H.		600
	Pezzullo, L.		600
	Rich, R. G.		600
	Simcox, D. E.		600
	Smith, W. M.		600
	Stout, C. R.		600
	Woessner, W. M.		600
Naval War College (Newport, Rhode Island)	McNamara, F.		No Tuition Cost
	Meade, F.		No Tuition Cost
	Nalle, B. B.		No Tuition Cost

	NAME OF OFFICER	COURSE OF INSTRUCTION	TUITION AND RELATED COSTS
Canadian National Defence College (Kingston, Ontario)	Cooke, G.		$ 2,000
NATO Defense College (Rome)	Lambrakis, G.		1,750
	Long, J. H.		1,750
Royal College of Defence (London)	Gleysteen, D.		2,000
	Barbour, R.		2,000
Garmisch, Germany (Army Russian Language School)	Ober, R. F.		No Tuition Charge
	Steiner, S. E.		No Tuition Charge
	Swartz, D. H.		No Tuition Charge
B. Universities and Institutions			
Atlanta University Center (Morehouse College)	Howison, J. M.	Diplomat in Residence	1,033
California, University of (Berkeley)	Hansen, P.	Area (Atlantic Community Affairs)	2,394
Columbia University	Cooper, M.	Area (South Asia)	2,724
	Snyder, G. E.	Administration/Management	3,094
Cornell University	Lupo, S. E.	Administration/Management	5,110
	Moore, B. C.	Administration/Management	3,385
	Swift, E.	Area (Southeast Asia)	3,185
Georgetown University	Tarrant, J. R.	Economics	2,435
George Washington University	Younts, G. P.	Science, Technology & Public Policy	2,540

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	NAME OF OFFICER	COURSE OF INSTRUCTION	TUITION AND RELATED COSTS
Harvard University	Bentley, R. B.	Fellowship (JFK School of Government)	$ 3,185
	Bloomfield, R. J.	Fellowship (International Affairs)	4,685
	Knepper, W. E.	Fellowship (JFK School of Government)	1,500
	Smyser, W. R.	Fellowship (International Affairs)	4,685
	Duncan, R. B.	Economics	3,200
	Ferrer, J.	Economics	3,326
	Vaznaugh, F. S.	Economics	3,331
	Cunninghan, C. B.	Business	3,868
	Waska, R. E.	Administration/Management	3,876
	Harding, R. D.	Area (Atlantic Community Affairs)	3,353
	Keiswetter, A. L.	Area (Atlantic Community Affairs)	3,323
	Moen, H. G.	Area (Eastern Europe)	3,200
	Clear, T. E.	Labor Training	1,345
Massachusetts, University of	Fleischer, L.	International Education Program	No Tuition Charge
Michigan, University of	Ellis, C. N.	Economics	2,425
	Sullivan, J. J.	Business	1,380
	Carpenter, M.	Area (Southeast Asia)	2,425
	Cross, C. T.	Diplomat in Residence	616
Princeton University	Korn, D. A.	Fellowship (International Affairs)	3,085
	Owens, J. P.	Fellowship (International Affairs)	185
	Houdek, R. G.	Fellowship (International Affairs)	3,085
	DeWilde, J.	Area (East Asia)	3,085
	Mason, D. N.	Area (Latin America)	3,085

	NAME OF OFFICER	COURSE OF INSTRUCTION	TUITION AND RELATED COSTS
San Francisco State College	Holland, H. M.	Diplomat in Residence	$ 1,486
South Carolina, University of	Bergus, D. C.	Diplomat in Residence	419
Southern California, University of (Los Angeles)	Rogers, B. C.	Area (Africa)	2,383
Stanford University	Amstutz, J. B.	Fellowship (International Affairs)	2,795
	Connolly, J. S.	Fellowship (Sloan Management Program)	6,485
	Johnston, E.	Fellowship (Sloan Management Program)	6,485
	McNeil, F.	Fellowship (International Affairs)	2,795
	Simons, T. W.	Fellowship (Council on Foreign Affairs)	185
	Lane, R. B.	Area (Latin America)	2,819
	Balabanis, G. P.	Economics	492
	Babin, A. J.	Systems Analysis	4,907
Texas, University of	Bumpus, J.	Area (Latin America)	1,527
Tufts University of (Fletcher School of Law & Diplomacy)	Smith, D. F.	International Affairs	1,085
Vermont, University of	Jones, W.	Diplomat in Residence	1,091
Washington State University	Walsh, J. P.	Diplomat in Residence	644
Wisconsin, University of	Bolster, A. M.	Economics	2,361
Brookings Institution	Colbert, E. S.	Federal Executive Fellowship	No Tuition Charge

	NAME OF OFFICER	COURSE OF INSTRUCTION	TUITION AND RELATED COSTS
French National School of Administration, Paris	Riemer, R.		$ 1,285
Massachussetts Institute of Technology	Batt, I.	Science, Technology & Public Policy	2,850
	Emmons, C.	Systems Analysis	5,660
	Suddarth, R.	Systems Analysis	4,036
Rand Corporation	Dutton, L.	Systems Analysis	2,260
C. Congressional Interns	Brandt, W. W.		2,130
	Fouche, R. M.		1,200
	Guehrie, D. K.		1,200
	Holliday, R. R.		1,200

Question 3. Would you supply for the files a catalog of the courses of instruction available at the FSI?

Answer. Attached is the Foreign Service Institute Schedule of Courses for FY 1972. (See Attachment #2) (The attachment is in the Committee files.)

Question 4 (a). How much of the FSI's resources in terms of personnel and funds is devoted to language instruction and how much to other programs?

Answer. The Institute's total S & E Direct instructional budget for FY 1972 is $3,282,300. Of this amount $1,345,600 is allocated for language instruction and $1,936,700 for other programs of study.

Question 4 (b). How much is to be spent at posts abroad for language training?

Answer. Language training is provided to some 3,100 officers and dependents at some 185 overseas posts and three field schools in over 50 languages. In FY 1973 Direct S & E instructional funds in the amount of $525,600 is estimated for this training.

Question 5 (a). Is the FSI as presently constituted capable of furnishing all the training and educational needs for U.S. Government foreign affairs personnel.

Answer. The foundation and framework of the Institute's training activities is such as to permit expansion as necessary in its training programs to accommodate training requests of other agencies; however, there are certain training programs unique to each agency which can be best fulfilled by that agency.

Question 5 (b). What consideration has been given, if any, to having some of the training now given at FSI done at other educational institutions on a contract basis?

Answer. An integral part of the planning for any new course is a determination of the best method of meeting the need—this involves considerations of economy, effectiveness, and efficiency. Determinations of this nature may result in the assignment of students to other educational institutions for training—at other times it may result in the Institute contracting for the services of individuals or institutions to provide training.

Question 6. Describe the process of student selection in detail. Is enrollment subject to approval of the appropriate Department or agency head? Are any students turned down for lack of facilities?

Answer. The Department uses several methods to select Foreign Service and Civil Service personnel for training assignments depending on whether the training is considered job or career-related, and whether it is for a foreign or domestic assignment.

The Office of Personnel selects employees for specific jobs overseas and then assigns them to training programs, when appropriate, to upgrade the skills required by the job (e.g., clerical, supervisory, budget and fiscal, consular, etc.). Language training is given to employees and dependents in connection with an overseas assignment as well as to meet the specific requirements of language-desginatd positions. Training for employees in domestic jobs is usually recommended by the employee's immediate supervisor or by the Bureau Training Officer and is approved by the Bureau Executive Director. All personnel are considered eligible for training if need for upgrading skills exist.

General career training is given to Foreign Service officers at various stages of their careers. Training needs are determined by the Office of the Director General in conjunction with the regional and functional bureaus of the Department.

All new junior officers entering the Department are assigned by the Office of Personnel to a basic six-week orientation course. Typically, this course is followed by intensive training in a world or hard language and assignment abroad.

During the course of a normal, four-year Washington assignment, a mid-career officer can expect to be detailed to such courses as management studies, consular affairs, economic studies, labor, and science. Specific courses are recommended by the officer's Career Counseling Advisor. The Training Staff of the Office of Personnel then programs the officer into the appropriate courses as they are offered, subject to the approval of the Bureau where the officer is assigned.

Mid-career officers desiring to specialize in a function important to the Foreign Service, i.e., administration, management, economics, commercial affairs, labor,

systematic analysis, petroleum, science, population studies, or in a geographical area of the world may apply for a particular program indicating how that program would meet the officer's long-term career development needs. Functional training normally ranges from four months to an academic year. The Training Staff of the Office of Personnel evaluates such requests in terms of the officer's career projection and the needs of the Service for the broader skills that would be so acquired. Officers who appear to have the highest potential for advancement are selected.

As officers reach the threshold of senior-level (Class 0–3) they can aspire to selection for an academic year at one of the senior military service colleges or in a graduate-level university program. Selection of senior officers for such assignments is made by a committee established each year for this purpose. All class III officers under 45 years of age are eligible candidates. The committee is instructed to select officers whose performance in the Service indicates a potential for advancement to the highest career positions.

Selection for the Foreign Service Institute's Senior Seminar in Foreign Policy is made by the Senior Assignments Board of the Office of Personnel.

Under its Extension Studies Program, the Department (FSI) sponsors both career and job-related short-term training courses offered by other government agencies, private organizations and academic institutions. Requests for such training are normally initiated by the employee, his immediate supervisor, or the Bureau Training Officer, and are approved by the Executive Director of the respective bureau.

Employees from other Government agencies are selected by their own agency for training and accepted by the Foreign Service Institute through formal registration procedures.

The Foreign Service Institute operates on a fixed budget which has the effect of setting an upper limit on the number of students that can be trained in any one fiscal year. The Office of the Director General is responsible for determining training priorities within the given budgetary limits.

Question 7. Do any other government agencies conduct foreign affairs or foreign area training programs? Please provide a brief description of these programs, by agency, and the costs involved.

Answer. The Department has brought this question to the attention of Defense, ACDA, AID, CIA and ACTION with the request that each agency provide its answer to the Department for forwarding to the Chairman of the Senate Foreign Relations Committee.

STATEMENT OF RICHARD L. HERMAN, UNITED STATES COMMISSIONER, INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA

Mr. Chairman and Members of the Committee:

I am Richard L. Herman, United States Commissioner of the International Boundary Commission, United States and Canada, part of the American Sections, International Commissions of the Department of State. The Commission was created under provisions of the treaties between the United States and Great Britain of 1906, 1908 and February 24, 1925.

The purpose of the Commission is to define, mark and maintain the demarcation of the international boundary line between the United States and Canada. A well defined boundary is extremely important to Customs and Immigration officers as well as the people living, farming and working along it. Otherwise the every day business of law enforcement, taxation, education, etc. would be extremely complicated.

The Commission staff consists of 7 employees. During the months of May through October, when most of the boundary maintenance work is accomplished, the engineers hire temporary field employees, approximately 10 to 20 men, to assist with the work of cutting brush in the 20-foot vistas, repair and replacement of boundary markers and resurvey operations. To continue this boundary maintenance work, our budget for 1973 is estimated at $197,000. The Canadian Section in Ottawa has a similar staff and does comparable field work. I will be pleased to answer any questions you may have about the work of the Commission.

STATEMENT OF CHRISTIAN A. HERTER, JR., CHAIRMAN, UNITED STATES SECTION INTERNATIONAL JOINT COMMISSION BEFORE THE FOREIGN RELATIONS COMMITTEE, UNITED STATES SENATE

Mr. Chairman and Members of the Committee:

The International Joint Commission was established by and derives its authority from the Boundary Waters Treaty of 1909, United States and Canada.

The Treaty provides, among other things, equal rights on behalf of both countries to access and use of all waters which form a part of the international boundary between them. It prescribes priorities for use and sets forth procedures for handling applications for the construction of facilities to obstruct or divert boundary waters. It established a "joint commission' 'to approve applications, to investigate matters referred to it by either government, and to make recommendations for solutions to such problems.

The Commission has a United States and Canadian section, composed of three Commissioners each and staffs, with offices established in Washington and Ottawa respectively. The Treaty provides for the appointment of Secretaries to each section and authorizes employment of ". . . engineers and clerical assistants from time to time as it may deem advisable." The U.S. Section presently is comprised of six staff positions and a Commission Chairman in salaried positions, while the other two Commissioners are paid on a "when actually employed" basis.

Under Articles III and IV of the Treaty applications for the use, obstruction or diversion of boundary waters where such use, obstruction or diversion might affect the levels and flows on the other side of the boundary, must be submitted to the Commission for approval. The Commission, upon approval of applications, stipulates certain operating criteria in an Order of Approval. Constant collection of data and its analysis are necessary to determine compliance with the Order. This is accomplished by the establishment of a Board of Control which operates in the field and which advises the Commission on a continuing basis. At present, we have twelve such Boards assisting the Commission.

Under Article IX of the Treaty matters may be referred to the Commission for investigation and report with recommendations to the two Governments. In FY 1973 the Commission will be active in seven investigations under reference from the Governments.

A number of investigations and reports made by the Commission have resulted in a continuing surveillance role for the Commission, at the request of the Governments, to determine compliance or non-compliance with water quality objectives in boundary waters recommended by the Commission and approved by Governments. In FY 1973 we will have six surveillance boards assisting the Commission.

The two governments are currently negotiating a new and far-reaching agreement on water quality objectives for the Great Lakes and programs to achieve them. It is anticipated that the International Joint Commission will play prominent roles as an "overseer" of both governments to determine compliance with terms of the agreement, and serve in a coordinating capacity in developing related cooperative programs in abatement and control of pollution, contingency planning and research and demonstration.

Budget estimates for FY 1973 to enable the Commission to carry out existing and anticipated new responsibilities amount to $525,200.

(Committee staff note: The following material provides additional information about the activities of the International Boundary Commission and the International Joint Commission:)

American Sections, International Commissions

This appropriation finances the United States share of expenses of:

1. The International Boundary Commission which maintains United States-Canadian boundary markers in accordance with existing treaties and establishes and preserves boundary vistas by periodic tree cutting and chemical vegetation control.

2. The International Joint Commission which conducts investigations of boundary waters for the regulation of levels and flows of water, pollution abatement and water quality control, and such other related matters referred from the governments of the United States and Canada and of mutual concern to both countries.

Principal investigations and activities at present concern an expanded role in abating pollution in the Great Lakes basin, possible regulation of Great Lakes water levels, preservation and enhancement of the American Falls at Niagara Falls, and surveillance of transboundary air pollution along the entire border.

Ten Year History

Year	Positions: Domestic*	Positions: Overseas Americans	Positions: Total	Amount
1964	20	-	20	$ 430,000
1965	20	-	20	472,000
1966	20	-	20	475,000
1967	20	6	26	650,000
1968	17	4	21	630,000
1969	32	1	33	629,000
1970	28	-	28	599,484
1971	29	-	29	653,000
1972	30	-	30	725,000
1973 (est.)	29	-	29	722,200

*Includes positions under allocations to other agencies.

Budget Summary

Appropriation, 1972	$ 725,000
Estimate, 1973	722,200
Decrease	- 2,800

Program by Activities	1972	1973	Increase or Decrease
International Boundary Commission	$ 175,200	$ 197,000	+$ 21,800
International Joint Commission	548,600	525,200	- 23,400
Total Obligations	723,800	722,200	- 1,600
Presidential Reduction - Directive, August 15, 1971	+ 1,200	.....	- 1,200
Appropriation or Estimate	725,000	722,200	- 2,800

STATEMENT OF DONALD L. MCKERNAN—COORDINATOR OF OCEAN AFFAIRS

Mr. Chairman and Members of the Committee:

The total funds requested ($3,296,000) are to provide for the United States share of nine International Fisheries Commissions established by treaties. These funds also include provision for certain travel expenses of the United States Commissioners and their advisers.

The objectives of the International Fisheries Commissions are: (1) to provide a means of preventing disputes between the United States and other nations fishing common fishing grounds on the high seas and common stocks of fish; (2) to insure the conservation of fishery resources of great economic importance to the United States; and (3) to increase the opportunity for United States fishermen to share in the catch of fish.

The International Fisheries Commissions carry out or coordinate scientific studies on the resources for which they are responsible and recommend conservation measures to the member governments based on the results of these studies. The Halibut, Salmon, Tropical Tuna and Great Lakes Commissions carry on large-scale programs of research and management for the stocks under their control, including estimation of maximum sustainable yields, tagging experiments to trace migrations, elimination of such predators as the lamprey, and improvement of spawning areas.

The growing demand for food from the sea is causing increasing competition and conflict among fishing nations. The International Fisheries Commissions are a means of minimizing conflict and preventing depletion of fisheries resources important to this country. The resources managed under the International Fishery Conventions to which the United States is a party provide employment for 10,000 American fishermen and many more shore workers.

The requested appropriation for Fiscal Year 1973 is $196,000 more than that appropriated for FY 1972. This includes a fee of $12,000 which is the cost of joining the International Council for the Exploration of the Sea. The remaining requested increase of $184,000 can be broken down into two categories:

First, $63,400 provides for salary increases for personnel of the Commissions consistent with the salary increases authorized in January, 1971 for United States Government employees, and a further $16,800 provides for the upgrading of retirement benefits.

Second, $103,800 is requested for program increases for four Commissions. Of that figure, $51,000 provides for a re-organization of the Tropical Tuna Commission's basic data system. The $51,000 is for a one-time job, to get all the past basic data into the same form as the recent data, so that the whole body can be rapidly worked over by computer methods when necessary. This will save labor and time as the steadily expanding fishing fleet causes the open season to become shorter and thereby makes it necessary for the scientific staff to make more rapid management decisions. The Great Lakes Fishery Commission has requested an increase of $40,100 to provide for intensification of lamprey control operations in the three upper Great Lakes (Superior, Michigan and Huron). Of the $10,000 requested in an increase by the International Commission for the Conservation of Atlantic Tunas $3,900 will contribute toward providing for the cost of acquiring an independent scientific assessment of tuna stocks in the Atlantic Ocean, and $7,000 represents the anticipated increase in the U.S. assessment due to an increase in the U.S. share of the catch. The requested increase for the International North Pacific Fisheries Commissions consists of $1,800 which represents the amount that this government would otherwise be short in its contribution as a result of the recent freeing of the Canadian dollar.

(Committee staff note: The following material provides additional information about the activities of the International Fisheries Commission:)

International Fisheries Commissions

This appropriation provides funds for the United States share of the expenses of nine international fisheries commissions in which it participates. The Commissions determine and undertake or recommend measures necessary for the preservation and expansion of fishery stocks.

Ten Year History

Year	Amount	Year	Amount
1964	$2,000,000	1969	$2,075,000
1965	2,025,000	1970	2,409,188
1966	2,125,000	1971	2,543,800
1967	2,125,000	1972	3,100,000
1968	2,015,000	1973 (est.)	3,296,000

Budget Summary

Appropriation, 1972	$3,100,000
Estimate, 1973	3,296,000
Increase	196,000

Program by Activities	1972	1973	Increase or Decrease
1. International Pacific Halibut Commission	$ 246,000	$ 270,500	+ $24,500
2. International Pacific Salmon Fisheries Commission	525,800	552,000	+ 26,200
3. Inter-American Tropical Tuna Commission	452,000	532,500	+ 80,500
4. International Commission for the Northwest Atlantic Fisheries	6,400	6,400	.....
5. International Whaling Commission	1,000	1,000	.....
6. International North Pacific Fisheries Commission	26,200	28,000	+ 1,800
7. Great Lakes Fishery Commission	1,813,000	1,853,100	+ 40,100
8. North Pacific Fur Seal Commission	4,000	4,000	.....
9. International Commission for the Conservation of Atlantic Tunas	14,500	25,400	+ 10,900
10. International Council for the Exploration of the Sea	.....	12,000	+ 12,000
11. Expenses of the United States Commissioners	11,100	11,100	.....
Appropriation or Estimate	3,100,000	3,296,000	+ 196,000

Highlights of Budget Changes

The requested increase is to (1) provide $63,400 for salary adjustments for Commission personnel in fiscal year 1973 consistent with the salary increases authorized in January, 1971 for United States Government employees, and $16,800 for upgrading of retirement benefits; and (2) provide $103,800 for program increases needed to strengthen the effectiveness of the Tropical Tuna ($51,000), North Pacific ($1,800), Great Lakes ($40,100), and Atlantic Tunas Commissions ($10,900), and (3) provide $12,000 to join the International Council for the Exploration of the Sea.

ANSWERS TO QUESTIONS SUBMITTED TO DONALD L. MCKERNAN, COORDINATOR OF OCEAN AFFAIRS, BY THE CHAIRMAN FOR THE RECORD

Question 1(a). Mr. McKernan's prepared statement indicates that all of the funds requested by his office will be used to fund U.S. participation in nine International Fisheries Commissions. If this is so, then what is the level of funding for his own office and staff?

Answer. Mr. McKernan's office is funded by the Salaries and Expenses appropriation under the Office of the Secretary.

Fiscal Year 1973—Estimate Office of the Coordinator of Ocean Affairs and Special Assistant for Fisheries and Wildlife to the Secretary

American Salaries:	
13 Positions	$238,743
8% for Benefits	19,099
Total American Salaries	$257,842
Operating Expenses:	
Overtime	$2,000
Travel	16,200
Working Capital Fund for reproduction, telephones, motor pool and other rental services	10,400
GSA Services—painting renovations, etc	1,000
Supplies	1,300
Equipment	3,000
Total Operating Expenses	33,900
Grand total	291,742

Question (b). How many State Department people are responsible to Mr. McKernan?

Answer. Mr. McKernan's staff includes seven professional and six clerical employees. One of the latter is employed on a part-time basis.

Question (c). Similarly, how many people are involved on a day-to-day basis in ocean affairs from each of the following: Department of Defense, Department of Interior, and Department of Commerce? In comparison to the State Department, how much do these other departments spend annually on ocean affairs?

Answer. The other agencies referred to in paragraph 2 of question 1 would be reluctant to provide the requested information to the Committee on Foreign Relations through the Department of State and would feel that the proper channel would be to supply it directly. Moreover, some agencies, e.g. Navy, might raise the question as to what is encompassed by ocean affairs. In sum, we would need considerable time to obtain the information from other agencies and what we obtained might well be not what the Committee wishes. The only feasible approach is for the Committee to ask the agencies directly for the information and specify in what aspects of ocean affairs it is interested.

Question 2. How are ocean affairs handled at the NSC level? Who has overall responsibility at this level and who handles such matters on a day-today basis?

Answer. There are two interagency groups in this area: (1) the Committee on International Ocean Affairs, chaired by Mr. McKernan, which reports through the Under Secretary of State for Political Affairs; and (2) the Interagency Law of the Sea Task Force, chaired by the State Department Legal Adviser which reports through the Under Secretaries Committee. These two groups oversee the implementation of and develop recommendations for additions or changes to U.S. policy within the framework of the President's Statement on U.S. Oceans Policy of 5–23–70, as well as other established U.S. policies in the oceans field. The NSC staff member responsible for ocean policy matters is Mr. Denis Clift.

Question 3. What are the annual costs for each of the nine International Fisheries Commission. How much does the U.S. contribute to each and what percentage is it of the total?

FISCAL YEAR 1973—ESTIMATE

Commission	Fiscal year 1973 annual cost	U.S. contribution	Percent of total
International Pacific Halibut Commission	$541,000	$270,500	50.00
International Pacific Salmon Fisheries Commission	1,104,000	552,000	50.00
Inter-American Tropical Tuna Commission	600,000	532,500	88.75
International Commission for the Northwest Atlantic	139,000	6,400	4.60
International Whaling Commission	16,728	1,000	5.97
Great Lakes Fishery Commission	2,705,810	1,853,140	69.00
North Pacific Fur Seal Commission	16,000	4,000	25.00
International Commission for the Conservation of Atlantic Tunas	149,000	25,400	17.77

Question 4. Why was the decision made at this time to join the International Council for the Exploration of the Sea?

Answer. The decision to rejoin the Council was made in 1966, and although all necessary internal steps to apply were completed in 1967, it has not been possible to do so since funds were not available to pay the U.S. contribution. Funds are being sought now in order that we may complete this action.

Question. Specifically, what will we gain by joining? What benefits will be derived from the $12,000 membership fee?

Answer. The United States is the only major oceanic nation bordering the North Atlantic which is not presently a member of the Council. Its main functions are to encourage investigations for the study of the sea, particularly those related to living resources. It draws up programs for this purpose, organizes such research and investigations as may appear necessary, and publishes or otherwise disseminates the results. It works closely with and has a direct influence on the activities of other organizations of which the U.S. is a member, such as the Intergovernmental Oceanographic Commission, the International Commission for the Northwest Atlantic Fisheries, and the Food and Agriculture Organization. While U.S. scientists play an active role in the scientific work of the Council, through its committees and symposia, we have no way of influencing its program or policy decisions or the position it takes vis-a-vis other organizations, for observers are not permitted to participate in the Council meetings, or even attend them. In view of the strong interest of the United States in North Atlantic fisheries and oceanography, it is deemed essential that we be able to play a policy role in the organization in addition to our present limited technical one.

Question. Will membership on the Council incur additional costs, such as more staff, more travel, etc.? If so, by how much?

Answer. Membership on the Council will entail additional expenses to the Department for the travel of two U.S. delegates and perhaps experts and advisers to the annual meeting, which is usually held in Europe, and perhaps to other meetings of the Council which are convened on intergovernmental basis. No No additional staff or other expenses are anticipated. It is possible that the operating agencies may wish to increase their participation in the scientific work of the Council with full membership, but this cannot be estimated by the Department. However, any such increase would be expected to be slight. Thus, while there will be some additional expenses, overall they are expected to be minor.

STATEMENT OF JOSEPH F. FRIEDKIN, UNITED STATES COMMISSIONER, INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

Mr. Chairman and Members of the Committee:

The International Boundary and Water Commission, created as the International Boundary Commission by a treaty of March 1, 1889 (26 Stat. 1512) between the United States and Mexico, is charged by that treaty and a series of subsequent treaties and statutes with the application of the provisions of those treaties, and the exercise of the rights and obligations of the two Governments thereunder for the solution of problems arising on the boundary requiring engineering action by the two Governments.

This Commission is one of the international commissions for which the United States Government provides funds through the Department of State. Its operations involve (1) stabilization of the river boundary disputes, (2) accounting between the two countries of the ownership of the waters in the international rivers, (3) construction and operation of works to provide mutual protection from flood, (4) conservation and regulation of waters of international rivers for utilization in the two countries, (5) quality of waters, (6) development of hydroelectric power where practical, and (7) determination and demarcation of the land boundary.

The Commission is an international body consisting of a United States Section and a Mexican Section, each headed by a Commissioner. Five officials of the United States Section are treaty officers and have diplomatic status.

The United States Section is headquartered in El Paso, Texas, and the Mexican Section is headquartered in Ciudad Juarez, Chihuahua, Mexico. The two Commissioners met frequently to consider matters of mutual concern under the policy direction of their respective Foreign Offices. A highly significant segment of U.S. relations with Mexico is conducted through this Commission on a continuing basis.

Mr. Chairman, the United States Commissioner serves as the principal technical adviser to the Secretary of State in respect to engineering and related problems arising on the boundary between the United States and Mexico. He would be responsible, under the Secretary of State, for implementation of the boundary treaty now in the process of ratification, one of the most comprehensive boundary treaties ever concluded by the U.S. Government.

The bill before you, Mr. Chairman, would authorize appropriations to this Commission for FY–1973 in the amount of $14,208,000. This is an increase over funds appropriated for FY–1972 in the amount of $3,983,000—the increase is principally in the construction feature of our program. These appropriations appear under Section 2, Section *c*, International Commissions.

The authorizing legislation pertains to three separate appropriation items for the Commission. Each appropriation, purpose and prior authorization are summarized as follows:

1) $1,127,000 for Salaries and Expenses Appropriation. This is a decrease of $8,000 from our request in 1972. This appropriation provides funding for 65 people and the operation of the headquarters office, which includes general administration, general engineering, and preliminary surveys and investigations. Prior authorizations are found at 22 USC 277–277d (49 Stat. 660) and 22 USC 277d–3 (64 Stat. 847).

2) $2,884,000 for the Operation and Maintenance Appropriation. This request is an increase of $74,000 over the amount appropriated in FY–1972. This appropriation finances the U.S. share of the operation of completed international projects, funding 245 positions. The various projects and prior authorizations are summarized as follows:

a) El Paso Projects—$786,000. Includes Rio Grande Canalization Project (Act of June 4, 1936, 49 Stat. 1463), American Dam and Canal Project (Act of August 29, 1935, 49 Stat. 961) and the Rio Grande Rectification Project (22 USC 277d–3, 64 Stat. 847).

b) Lower Rio Grande Flood Control Project—$892,000. (22 USC 277–277d, 49 Stat. 660).

c) Lower Rio Grande Water Quality Improvement Project—$20,000 (22 USC 277d–31, 80 Stat. 808).

d) Falcon Dam and Power Plant—$334,000 (22 USC 277d–3, 64 Stat. 847).

e) Amistad Dam—$184,000 (22 USC 277d–16, 74 Stat. 361).

f) International Gaging Stations—$622,000 (22 USC 277d–3, 64 Stat. 847).

g) Douglas-Aqua Prieto Sanitation Plant—$26,000 (22 USC 277d–7, 64 Stat. 848).

h) Lower Colorado River Clearing—$20,000 (22 USC 277d–28, 78 Stat. 386).

3) $10,197,000 for the Construction Appropriation, an increase over FY–1972 of $3,917,000 and consisting of:

a) To continue the construction of the Lower Rio Grande Flood Control Improvement Project—$7,197,000. This is $2,877,000 over the amount appropriated in 1972 and is authorized by 22 USC 277–277d (49 Stat. 660).

b) To initiate construction of the Tijuana River Flood Control Project—$3,000,000. This is an increase of $1,040,000 over 1972 and is authorized by 22 USC 277d–33 (80 Stat. 884). 34 positions are funded by this appropriation.

Section 4 of the proposed authorizing legislation providing for appropriations made without fiscal-year limitation applies to the construction appropriation.

Mr. Chairman, that completes my statement. I would be pleased to answer any questions the Committee may have.

(Committee staff note: The following material provides additional information about the activities of the International Boundary and Water Commission, United States and Mexico:)

INTERNATIONAL COMMISSIONS

International Boundary and Water Commission, United States and Mexico

The International Boundary and Water Commission is responsible, through a series of treaties between the United States and Mexico, for the regulation and exercise of the rights and obligations the two Governments have assumed for the solution of problems arising on the boundary which require joint engineering action. The principal problems which occur are: (1) changes in and stabilization of the river boundaries, (2) distribution between the two countries of waters of the international rivers, (3) common flood control problems, (4) conservation and regulation of waters of the river boundaries for utilization in the two countries, (5) quality of waters of international rivers, (6) sanitation hazards, (7) development of hydroelectric power, and (8) determination and demarcation of the land boundary. The activities performed by the United States section relate to treaty obligations assumed by the United States, general policy determinations by the President and the Secretary of State, and authorizations of the Congress.

SALARIES AND EXPENSES

This appropriation provides for: (1) administration of treaties and agreements in force and negotiation of new agreements as the need arises, (2) technical guidance and supervision of distribution of boundary waters, joint projects with Mexico, and general engineering studies, and (3) preliminary surveys and investigations. The U.S. section of the Commission is headquartered in El Paso, Texas.

Ten Year History

Year	Positions Domestic	Amount	Year	Positions Domestic	Amount
1964	67	$ 715,000	1969	67	$ 923,000
1965	64	815,000	1970	67	1,008,783
1966	67	815,000	1971	67	1,072,000
1967	65	851,000	1972	65	1,135,000
1968	67	851,000	1973 (est.)	65	1,127,000

Budget Summary

Appropriation, 1972	$1,135,000
Estimate, 1973	1,127,000
Decrease	- 8,000

Program by Activities	1972	1973	Increase or Decrease
General administration	$ 642,000	$ 638,000	-$ 4,000
General engineering	398,000	394,000	- 4,000
Project investigations	95,000	95,000	.....
Appropriation or Estimate	1,135,000	1,127,000	- 8,000

OPERATION AND MAINTENANCE

This appropriation finances the cost of the operation and maintenance of flood control works including the American Dam and Canal, Rio Grande canalization and rectification projects, the Lower Rio Grande flood control projects, the Anzalduas Dam, Amistad Dam, Falcon Dam and power plant, the Douglas-Agua Prieta santiation plant, and stream gaging stations on the international rivers and tributaries.

Ten Year History

Year	Positions Domestic	Amount	Year	Positions Domestic	Amount
1964	251	$2,015,000	1969	270	$2,029,000
1965	233	1,987,000	1970	258	2,498,737
1966	237	2,025,000	1971	255	2,716,000
1967	223	1,985,000	1972	245	2,810,000
1968	220	1,935,000	1973 (est.)	245	2,884,000

Budget Summary

Appropriation, 1972	$2,810,000
Estimate, 1973	2,884,000
Increase	74,000

Program by Activities	1972	1973	Increase or Decrease
El Paso projects	$ 765,000	$ 786,000	+ $21,000
Lower Rio Grande flood control project	864,000	892,000	+ 28,000
Lower Rio Grande water quality improvement project	20,000	20,000	.....
Falcon Dam and power plant	327,000	334,000	+ 7,000
Amistad Dam	192,000	184,000	- 8,000
International gaging stations	597,000	622,000	+ 25,000
Douglas-Agua Prieta sanitation	25,000	26,000	+ 1,000
Lower Colorado River clearing	20,000	20,000	.....
Appropriation or Estimate	2,810,000	2,884,000	+ 74,000

CONSTRUCTION

This appropriation finances the construction activities of the United States section of the International Commission in response to obligations established by treaties and other agreements between the United States and Mexico, and Acts of Congress. The principal projects financed jointly by the two countries are sanitation projects, flood control dams on the Rio Grande, and flood control works on the Rio Grande and Tijuana rivers.

Ten Year History

Year	Positions* Domestic	Amount	Year	Positions* Domestic	Amount
1964	123	$6,500,000	1969	115	$5,806,000
1965	121	8,300,000	1970	22	411,629
1966	108	10,883,000	1971	57	4,200,000
1967	73	5,754,000	1972	54	6,280,000
1968	91	9,000,000	1973 (est.)	60	10,197,000

*Includes positions under allocations to other agencies.

Budget Summary

Appropriation, 1972	$6,280,000
Estimate, 1973	10,197,000
Increase	3,917,000

Program by Activities	1972	1973	Increase or Decrease
Rio Grande international dams program:			
Amistad Dam	$ 14,657	.....	- $ 14,657
Lower Rio Grande flood control improvement program	5,456,148	$7,151,000	+1,694,852
Nogales sanitation	68,092	.....	- 68,092
Tijuana River flood control	465,973	4,800,000	+4,334,027
Total Obligations	6,004,870	11,951,000	+5,946,130
Deduct unobligated balance, start of year	-1,524,870	-1,800,000	- 275,130
Add unobligated balance, end of year	1,800,000	46,000	-1,754,000
Appropriation or Estimate	6,280,000	10,197,000	+3,917,000

CHAMIZAL SETTLEMENT

This appropriation provides funds to comply with the Chamizal Convention between the United States and Mexico. Under the Convention the Rio Grande channel in the El Paso-Juarez section was relocated, a new international boundary was established, and lands were exchanged between Mexico and the United States. This required relocation of public facilities, and Government acquisition of land and improvements for relocation and for transfer to Mexico. The convention also extended the Rio Grande rectification project upstream to the land boundary

History of Appropriation

Year	Positions Domestic	Amount
1965	60	$30,000,000
1966	64	6,640,000
1967	39	4,200,000
1968	39	2,700,000
1969	21	.....
1970	...	.....
1971	3	.....
1972	1	.....
1973	...	.....

Budget Summary

Appropriation, 1972 ....
Estimate, 1973 ....

Program by Activities	1972	1973	Increase or Decrease
1. Lands and improvements	$100,000	.....	-$100,000
2. Relocation of Public facilities	9,000	.....	- 9,000
3. Extension of rectified channel to land boundary	44,642	.....	- 44,642
4. Emergency flood fighting expenditures authorized by 70 Stat. 302 (22 U.S.C. 277d-12)	72,000	.....	- 72,000
Total Obligations	225,642	.....	- 225,642
Deduct unobligated balance, start of year	- 225,642	.....	+ 225,642
Appropriation or Estimate	.....	.....	.....

STATEMENT OF BARBARA M. WATSON, ADMINISTRATOR, BUREAU OF SECURITY AND CONSULAR AFFAIRS

Mr. Chairman and Members of the Committee:

The Bureau of Security and Consular Affairs is responsible for supervising and coordinating the peformance of consular functions at approximately 250 diplomatic and consular posts of the United States throughout the world. Consular services, most of which are provided for by statute, are supervised and coordinated by the Bureau through its three constituent offices: The Passport Office, The Visa Office and The Office of Special Consular Services with a combined total of 705 authorized positions in the United States.

The FY-1973 budget request for the Bureau of Security and Consular Affairs covers only the consular and related functions performed in the U.S. and totals $15,540,100. This is a net increase of $1,460,200 over FY 1972. Included in the increase for FY 1973 are 29 additional permanent positions for the Passport Office and $1,219,500 for operating expenses. The net increase of $1,219,500 in operating expense consists of $1,213,100 for increased workload in the Passport Office, $206,500 for improved support for the Passport Office and $11,000 for improved support for the Visa Office. It also covers a decrease of $211,100 for non-recurring costs in FY 1973.

The $1,213,100 budgeted for increased passport workload in FY 1973 is based on an estimated $300,000 (11.5%) increase in volume of passports issued and includes $558,900 for an additional 79 man-years of temporary employment and 5 man-years of overtime.

Most consular functions, whether performed in the United States or abroad, are in the nature of services to the public—both to U.S. citizens and to foreign nationals. The Passport Office is responsible for the issuance of passports to American citizens through its ten field agencies in the United States and at our posts abroad. It is also responsible for exercising the responsibility placed by statute in the Secretary of State for determining the acquisition and loss of U.S. citizenship by persons outside the United States. Thus, based on reports from our consular officers abroad, the Passport Office determines whether a child born abroad to an American citizen parent or parents acquires U.S. citizenship at birth. Similarly, it determines whether U.S. citizens abroad have, by the performance of certain acts, lost their U.S. citizenship. These functions, of course, require the application of existing laws and court decisions relating to passports and citizenship.

The Visa Office is responsible for the administration of U.S. laws governing the issuance of visas to aliens, whether they are seeking to come to the United States for a temporary visit or whether they seek to come permanently as immigrants. With respect to temporary visitors, this function performed by our consular officers abroad involves, primarily, the determination of eligibility, in accordance with the provisions of the Immigration and Nationality Act of 1952, of alien applicants for one of several types of nonimmigrant visas. With respect to would-be immigrants, this responsibility requires not only the determination of eligibility but the administration of the immigrant visa preference system, including the various numerical limitations on immigration as well.

The Office of Special Consular Services is primarily responsible for all consular services performed abroad other than those relating to be the issuance of passports and visas. These include a wide-range of services to American citizens travelling or residing abroad such as ascertaining the welfare and whereabouts of American citizens abroad, providing assistance to them if they are arrested or are otherwise in difficulty, reporting the deaths abroad of American citizens and providing assistance in the burial or return to this country of their remains, and the conservation of their personal estates abroad. Consular officers abroad are also responsible for performing notarial services to U.S. and, in some instances, foreign nationals as well as providing judicial assistance to courts in this country in the taking of testimony and the service of legal process abroad.

Through our consular officers abroad, this Office also performs a number of services for other government agencies such as the registration of U.S. citizens for Selective Service and the processing and verification of claims to and the distribution of Federal disability and retirement benefits to persons abroad for the Social Security Administration, Civil Service, Veterans Administration, and other agencies.

As is apparent from the foregoing, the work of our consular officers abroad and of the Bureau of Security and Consular Affairs in this country is tied directly

to international travel, both of U.S. citizens abroad and of foreign nationals to this country. This flow of international travelers continues to increase at a rapid rate as it has for many years. The increase in the number of American citizens desiring to travel abroad has caused a rapid and continuing increase in demand for U.S. passports. In FY 1960 some 800,300 passports were issued to U.S. citizens. In FY 1970 the figure reached 2,200,000. There has been a similar sharp increase in the issuance of nonimmigrant visas to foreign nationals visiting this country. In FY 1960 some 700,000 nonimmigrant visas were issued. In FY 1970 that figure rose to over two million.

This great increase in international travel has, of course, a direct impact on the performance of virtually every consular function. The consequences are not only a greatly increased demand by U.S. citizens and foreign nationals for travel documents but a concomitant increase in demand for other consular services by Americans abroad. As more and more Americans travel abroad more and more Americans get in difficulty abroad, including, unfortunately, being arrested for violations of foreign laws.

Not only has the number of Americans arrested abroad increased out of proportion to the general increase of foreign travel by U.S. citizens; the number of those arrested for drug offenses has risen even more sharply. Prior to 1968 the number of Americans under detention abroad on drug charges was miniscule. In 1969 it rose to 142, by 1970 to 404 and by 1971 to almost 900 or 63% of all Americans detained abroad for violation of foreign laws. And every case of the arrest of an American citizen abroad on whatever charge is an actual or potential "protection" case for the consular officer.

This great increase in international travel presents a challenge to our consular officers abroad and to the constituent offices of the Bureau of Security and Consular Affairs. The challenge and our objective is not only to maintain essential consular services but to improve our performance of them.

The performance of consular functions is in some respects unique compared with other responsibilities of the Department of State. Most of the functions are required by law and the volume of required services is almost totally outside of our control. Within this framework we are attempting to cope with the constantly mounting workload generated by increased international travel.

With respect to passport services we have instituted, in cooperation with the U.S. Postal Service a program whereby, by the end of April, U.S. citizens will be able to apply for passports at first-class post offices in over 600 cities across the country. We believe this program will not only provide vastly more convenient passport services to the American public but significantly reduce the burden on the existing application facilities (State and Federal courts and our passport agencies). We have also instituted evening shift operations at selected passport agencies during the peak travel season to provide more prompt issuance of passports and to effect more efficient and economical use of existing space and equipment.

With respect to visas we have in recent years instituted a number of measures such as the visa-by-mail procedure and the so-called "life-time" visa in certain countries where these programs are feasible. We have also instituted an automated visa name-check system utilizing Telstar and other communication facilities. This system is now in operation between Washington and a number of European and Latin American posts. This parallels the computerization of the passport lookout system now in effect between the passport agencies, posts in Canada and Washington.

We are continuing a broad examination of the performance of our consular services abroad. To date, as a result of this examination, we have eliminated certain non-statutory functions of marginal utility in order to continue to perform essential consular services without increased personnel.

We hope that with such measures and improved management techniques we can continue to meet the needs of American citizens and foreign nationals for all essential consular services.

(Committee staff note: The following table provides additional information about the activities of the Bureau of Security and Consular Affairs:)

BUREAU OF SECURITY AND CONSULAR AFFAIRS
SUMMARY - DOMESTIC

	1971 Actual		1972 Estimate		1973 Estimate		Increase or Decrease	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	671	$ 7,596,958	705	$ 7,974,055	734	$ 8,195,022	+29	+$ 220,967
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		7,859,311		8,595,000		8,835,700		+ 240,700
Operating Expense Funds Managed by This Office		4,505,791		5,484,900		6,704,400		+1,219,500
Total		12,365,102		14,079,900		15,540,100		+1,460,200

EXPLANATION OF DECREASES AND INCREASES:

	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASES:						
Extra Day's Pay	-	- $64,200	11	-	- $ 100	18
Non-Recurring Passport Expense	-	-	-	-	- 211,000	164
Total Decreases	-	- 64,200		-	- 211,100	
INCREASES:						
Annualization:	-	+ 147,300	11	-	-	-
New Positions in 1972	-	+ 38,900	11	-	-	-
Within-Grade Salary Increases	+29	+ 118,700	12	-	+1,213,100	163
Increased Workload	-	-	-	-	+ 217,500	166
Improved Support	+29	+ 304,900		-	+1,430,600	
Total Increases	+29	+ 240,700		-	+1,219,500	
NET INCREASE/DECREASE						

* In addition to salary costs includes Retirement, Health Benefits, and Life Insurance Contributions; Terminal Leave; and Similar Costs.

ANSWERS TO QUESTIONS SUBMITTED TO MISS BARBARA M. WATSON, ADMINISTRATOR, BUREAU OF SECURITY AND CONSULAR AFFAIRS BY THE CHAIRMAN FOR THE RECORD

Question 1 (a). Would you furnish for the record a listing of the grounds for denial of visas for all categories?

Answer. The Immigration and Nationality Act sets forth the grounds for ineligibility for visas as follows:

GENERAL CLASSES OF ALIENS INELIGIBLE TO RECEIVE VISAS AND EXCLUDED FROM ADMISSION; WAIVERS OF INADMISSIBILITY

SEC. 212. (a) Except as otherwise provided in this Act, the following classes of aliens shall be ineligible to receive visas and shall be excluded from admission into the United States:

(1) Aliens who are mentally retarded;

(2) Aliens who are insane;

(3) Aliens who have had one or more attacks of insanity;

(4) Aliens afflicted with psychopathic personality, or sexual deviation, or a mental defect;

(5) Aliens who are narcotic drug addicts or chronic alcoholics;

(6) Aliens who are afflicted with any dangerous contagious disease;

(7) Aliens not comprehended within any of the foregoing classes who are certified by the examining surgeon as having a physical defect, disease, or disability, when determined by the consular or immigration officer to be of such a nature that it may affect the ability of the alien to earn a living, unless the alien affirmatively establishes that he will not have to earn a living;

(8) Aliens who are paupers, professional beggars, or vagrants;

(9) Aliens who have been convicted of a crime involving moral turpitude (other than a purely political offense), or aliens who admit having committed such a crime, or aliens who admit committing acts which constitute the essential elements of such a crime; except that aliens who have committed only one such crime while under the age of eighteen years may be granted a visa and admitted if the crime was committed more than five years prior to the date of the application for a visa or other documentation, and more than five years prior to date of application for admission to the United States, unless the crime resulted in confinement in a prison or correctional institution, in which case such alien must have been released from such confinement more than five years prior to the date of the application for a visa or other documentation, and for admission to the United States. Any alien who would be excludable because of the conviction of a misdemeanor classifiable as a petty offense under the provisions of section 1(3) of title 18, United States Code, by reason of the punishment actually imposed, or who would be excludable as one who admits the commission of an offense that is classifiable as a misdemeanor under the provisions of section 1(2) of title 18, United States Code, by reason of the punishment which might have been imposed upon him, may be granted a visa and admitted to the United States if otherwise admissible: *Provided*, That the alien has committed only one such offense, or admits the commission of acts which constitute the essential elements of only one such offense.

(10) Aliens who have been convicted of two or more offenses (other than purely political offenses), regardless of whether the conviction was in a single trial or whether the offenses arose from a single scheme of misconduct and regardless of whether the offenses involved moral turpitude, for which the aggregate sentences to confinement actually imposed were five years or more;

(11) Aliens who are polygamists or who practice polygamy or advocate the practice of polygamy;

(12) Aliens who are prostitutes or who have engaged in prostitution, or aliens coming to the United States solely, principally, or incidentally to engage in prostitution; aliens who directly or indirectly procure or attempt to procure, or who have procured or attempted to procure or to import, prostitutes or persons for the purpose of prostitution or for any other immoral purpose; and aliens who are or have been supported by, or receive or have received, in whole or in part, the proceeds of prostitution or aliens coming to the United States to engage in any other unlawful commercialized vice, whether or not related to prostitution.

(13) Aliens coming to the United States to engage in any immoral sexual act:

(14) Aliens seeking to enter the United States, for the purpose of performing skilled or unskilled labor, unless the Secretary of Labor has determined and

certified to the Secretary of State and to the Attorney General that (A) there are not sufficient workers in the United States who are able, willing, qualified, and available at the time of application for a visa and admission to the United States and at the place to which the alien is destined to perform such skilled or unskilled labor, and (B) the employment of such aliens will not adversely affect the wages and working conditions of the workers in the United States similarly employed. The exclusion of aliens under this paragraph shall apply to special immigrants defined in section 101(a)(27)(A) (other than the parents, spouses, or children of United States citizens or of aliens lawfully admitted to the United States for permanent residence), to preference immigrant aliens described in section 203(a) (3) and (6), and to nonpreference immigrant aliens described in section 203(a)(8);

(15) Aliens who, in the opinion of the consular officer at the time of application for a visa, or in the opinion of the Attorney General at the time of application for admission, are likely at any time to become public charges;

(16) Aliens who have been excluded from admission and deported and who again seek admission within one year from the date of such deportation, unless prior to their reembarkation at a place outside the United States or their attempt to be admitted from foreign contiguous territory the Attorney General has consented to their reapplying for admission;

(17) Aliens who have been arrested and deported, or who have fallen into distress and have been removed pursuant to this or any prior act, or who have been removed as alien enemies, or who have been removed at Government expense in lieu of deportation pursuant to section 242(b), unless prior to their embarkation or reembarkation at a place outside the United States or their attempt to be admitted from foreign contiguous territory the Attorney General has consented to their applying or reapplying for admission;

(18) Aliens who are stowaways;

(19) Any alien who seeks to procure, or has sought to procure, or has procured a visa or other documentation, or seeks to enter the United States, by fraud, or by willfully misrepresenting a material fact;

(20) Except as otherwise specifically provided in this Act, any immigrant who at the time of application for admission is not in possession of a valid unexpired immigrant visa, reentry permit, border crossing identification card, or other valid entry document required by this Act, and a valid unexpired passport, or other suitable travel document, or document of identity and nationality, if such document is required under the regulations issued by the Attorney General pursuant to section 211(a);

(21) Except as otherwise specifically provided in this Act, any immigrant at the time of application for admission whose visa has been issued without compliance with the provisions of section 203;

(22) Aliens who are ineligible to citizenship, except aliens seeking to enter as nonimmigrants; or persons who have departed from or who have remained outside the United States to avoid or evade training or service in the armed forces in time of war or a period declared by the President to be a national emergency, except aliens who were at the time of such departure nonimmigrant aliens and who seek to reenter the United States as nonimmigrants;

[Note 8. Section 6(a) of the Military Selective Service Act of 1967 provides in part . . . "Any person who subsequent to June 24, 1948, serves on active duty for a period of not less than eighteen months in the armed forces of a nation with which the United States is associated in mutual defense activities as defined by the President, may be exempted from training and service, but not from registration, in accordance with regulations prescribed by the President, except that no such exemption shall be granted to any person who is a national of a country which does not grant reciprocal privileges to citizens of the United States: Provided, That any active duty performed prior to June 24, 1948, by a person in the armed forces of a country allied with the United States during World War II and with which the United States is associated in such mutual defense activities, shall be credited in the computation of such eighteen-month period. . . ."]

(23) Any alien who has been convicted of a violation of, or a conspiracy to violate, any law or regulation relating to the illicit possession of or traffic in narcotic drugs or marihuana, or who has been convicted of a violation of, or a conspiracy to violate, any law or regulation governing or controlling the taxing, manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of

the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, or any salt derivative or preparation of opium or coca leaves, or isonipecaine or any addiction-forming or addiction-sustaining opiate; or any alien who the consular officer or immigration officers know or have reason to believe is or has been an illicit trafficker in any of the aforementioned drugs;

(24) Aliens (other than aliens described in 101(a)(27) (A) and (B)) who seek admission from foreign contiguous territory or adjacent islands, having arrived there on a vessel or aircraft of a nonsignatory line, or if signatory, a noncomplying transportation line under section 238(a) and who have not resided for at least two years subsequent to such arrival in such territory or adjacent islands;

(25) Aliens (other than aliens who have been lawfully admitted for permanent residence and who are returning from a temporary visit abroad) over sixteen years of age, physically capable of reading, who cannot read and understand some language or dialect;

(26) Any nonimmigrant who is not in possession of (A) a passport valid for a minimum period of six months from the date of the expiration of the initial period of his admission or contemplated initial period of stay authorizing him to return to the country from which he came or to proceed to and enter some other country during such period; and (B) at the time of application for admission a valid nonimmigrant visa or border crossing identification card;

(27) Aliens who the consular officer or the Attorney General knows or has reason to believe seek to enter the United States solely, principally, or incidentally to engage in activities which would be prejudicial to the public interest, or endanger the welfare, safety, or security of the United States;

(28) Aliens who are, or at any time have been, members of any of the following classes:

(A) Aliens who are anarchists;

(B) Aliens who advocate or teach, or who are members of or affiliated with any organization that advocates or teaches, opposition to all organized government;

(C) Aliens who are members of or affiliated with (i) the Communist Party of the United States, (ii) any other totalitarian party of the United States, (iii) the Communist Political Association, (iv) the Communist or any other totalitarian party of any State of the United States, of any foreign state, or of any political or geographical subdivision of any foreign state, (v) any section, subsidiary, branch, affiliate, or subdivision of any such association or party, or (vi) the direct predecessors or successors of any such association or party, regardless of what name such group or organization may have used, may now bear, or may hereafter adopt: *Provided*, That nothing in this paragraph, or in any other provision of this Act, shall be construed as declaring that the Communist Party does not advocate the overthrow of the Government of the United States by force, violence, or other unconstitutional means;

(D) Aliens not within any of the other provisions of this paragraph who advocate the economic, international, and governmental doctrines of world communism or the establishment in the United States of a totalitarian dictatorship, or who are members of or affiliated with any organization that advocates the economic, international, and governmental doctrines of world communism or the establishment in the United States of a totalitarian dictatorship, either through its own utterances or through any written or printed publications issued or published by or with the permission or consent of or under the authority of such organization or paid for by the funds of, or funds furnished by, such organization;

(E) Aliens not within any of the other provisions of this paragraph, who are members of or affiliated with any organization during the time it is registered or required to be registered under section 7 of the Subversive Activities Control Act of 1950, unless such aliens establish that they did not have knowledge or reason to believe at the time they became members of or affiliated with such an organization (and did not thereafter and prior to the date upon which such organization was so registered or so required to be registered have such knowledge or reason to believe) that such organization was a Communist organization;

(F) Aliens who advocate or teach or who are members of or affiliated with any organization that advocates or teaches (i) the overthrow by force, violence, or other unconstitutional means of the Government of the United States or of

all forms of law; or (ii) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government, because of his or their official character; or (iii) the unlawful damage, injury, or destruction of property; or (iv) sabotage;

(G) Aliens who write or publish, or cause to be written or published, or who knowingly circulate, distribute, print, or display, or knowingly cause to be circulated, distributed, printed, published, or displayed, or who knowingly have in their possession for the purpose of circulation, publication, distribution, or display, any written or printed matter, advocating or teaching opposition to all organized government, or advocating or teaching (i) the overthrow by force, violence, or other unconstitutional means of the Government of the United States or of all forms of law; or (ii) the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers (either of specific individuals or of officers generally) of the Government of the United States or of any other organized government, because of his or their official character, or (iii) the unlawful damage, injury, or destruction of property; or (iv) sabotage; or (v) the economic, international, and governmental doctrines of world communism or the establishment in the United States of a totalitarian dictatorship;

(H) Aliens who are members of or affiliated with any organization that writes, circulates, distributes, prints, publishes, or displays, or causes to be written, circulated, distributed, printed, published, or displayed, or that has in its possession for the purpose of circulation, distribution, publication, issue, or display, any written or printed matter of the character described in paragraph (G);

(I) Any alien who is within any of the classes described in subparagraphs (B), (C), (D), (E), (F), (G), and (H) of this paragraph because of membership in or affiliation with a party or organization or a section, subsidiary, branch, affiliate, or subdivision thereof, may, if not otherwise ineligible, be issued a visa if such alien establishes to the satisfaction of the consular officer when applying for a visa and the consular officer finds that (i) such membership or affiliation is or was involuntary, or is or was solely when under sixteen years of age, by operation of law, or for purposes of obtaining employment, food rations, or other essentials of living and where necessary for such purposes, or (ii) (a) since the termination of such membership or affiliation, such alien is and has been, for at least five years prior to the date of the application for a visa, actively opposed to the doctrine, program, principles, and ideology of such party or organization or the section, subsidiary, branch, or affiliate or subdivision thereof, and (b) the admission of such alien into the United States would be in the public interest. Any such alien to whom a visa has been issued under the provisions of this subparagraph may, if not otherwise inadmissible, be admitted into the United States if he shall establish to the satisfaction of the Attorney General when applying for admission to the United States and the Attorney General finds that (i) such membership or affiliation is or was involuntary, or is or was solely when under sixteen years of age, by operation of law, or for purposes of obtaining employment, food rations, or other essentials of living and when necessary for such purposes, or (ii) (a) since the termination of such membership or affiliation, such alien is and has been, for at least five years prior to the date of the application for admission actively opposed to the doctrine, program, principles, and ideology of such party or organization or the section, subsidiary, branch, or affiliate or subdivision thereof, and (b) the admission of such alien into the United States would be in the public interest. The Attorney General shall promptly make a detailed report to the Congress in the case of each alien who is or shall be admitted into the United States under (ii) of this subparagraph;

(29) Aliens with respect to whom the consular officer or the Attorney General knows or has reasonable ground to believe probably would, after entry, (A) engage in activities which would be prohibited by the laws of the United States relating to espionage, sabotage, public disorder, or in other activity subversive to the national security, (B) engage in any activity a purpose of which is the opposition to, or the control or overthrow of, the Government of the United States, by force, violence, or other unconstitutional means, or (C) join, affiliate with, or participate in the activities of any organization which is registered or required to be registered under section 7 of the Subversive Activities Control Act of 1950;

(30) Any alien accompanying another alien ordered to be excluded and deported and certified to be helpless from sickness or mental or physical disability

or infancy pursuant to section 237(e), whose protection or guardianship is required by the alien ordered excluded and deported;

(31) Any alien who at any time shall have, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien to enter or to try to enter the United States in violation of law.

(c) No person admitted under section 101(a)(15)(J) or acquiring such status after admission shall be eligible to apply for an immigrant visa, or for permanent residence, or for a nonimmigrant visa under section 101(a)(15)(H) until it is established that such person has resided and been physically present in the country of his nationality or his last residence, or in another foreign country for an aggregate of at least two years following departure from the United States: *Provided*, That such residence in another foreign country shall be considered to have satisfied the requirements of this subsection if the Secretary of State determines that it has served the purpose and the intent of the Mutual Educational and Cultural Exchange Act of 1961: *Provided further*, That upon the favorable recommendation of the Secretary of State, pursuant to the request of an interested United States Government agency, or of the Commissioner of Immigration and Naturalization after he has determined that departure from the United States would impose exceptional hardship upon the alien's spouse or child (if such spouse or child is a citizen of the United States or a lawfully resident alien), the Attorney General may waive the requirement of such two-year foreign residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply also to those persons who acquired exchange visitor status under the United States Information and Educational Exchange Act of 1948, as amended.

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(g) No visa or other documentation shall be issued to an alien if (1) it appears to the consular officer, from statements in the application, or in the papers submitted therewith, that such alien is ineligible to receive a visa or such other documentation under section 212, or any other provision of law, (2) the application fails to comply with the provisions of this Act, or the regulations issued thereunder, or (3) the consular officer knows or has reason to believe that such alien is ineligible to receive a visa or such other documentation under section 212, or any other provision of law: *Provided*, That a visa or other documentation may be issued to an alien who is within the purview of section 212(a)(7), or section 212(a)(15), if such alien is otherwise entitled to receive a visa or other documentation, upon receipt of notice by the consular officer from the Attorney General of the giving of a bond or undertaking providing indemnity as in the case of aliens admitted under section 213: *Provided further*, That a visa may be issued to an alien defined in section 101(a)(15)(B) or(F), if such alien is otherwise entitled to receive a visa, upon receipt of a notice by the consular officer from the Attorney General of the giving of a bond with sufficient surety in such sum and containing such conditions as the consular officer shall prescribe, to insure that at the expiration of the time for which such alien has been admitted by the Atorney General, as provided in section 214(a), or upon failure to maintain the status under which he was admitted, or to maintain any status subsequently acquired under section 248 of the Act, such alien will depart from the United States.

Question. 1(b) How many visas were issued last year?

Answer. In FY 1971 a total of 2,445,401 visas were issued. Of this number 296,500 were immigrant visas. (This does not include some 56,000 adjustments to permanent resident status of persons in the United States nor some 10,500 conditional entries granted to refugees.) The remainder consisted of 2,148,901 nonimmigrant visas issued, including revalidation of visas, crew-list visas, and border-crossing cards.

Question. 1(c). Denied?

Answer. In FY 1971, 253,030 visas were denied. (Additionally, 68,054 applicants were refused a broder-crossing card at interior Foreign Service posts in Mexico.) Of this number 48,646 were refusals of immigrant visas and 204,384 nonimmigrant visa refusals. However, during the same period 32,178 applicants previously re-

fused an immigrant visa (in FY 1971 or earlier and 33,378 applicants refused non-immigrant visas (in FY 1971 or earlier) overcame the refusals and were issued visas.

Question 2. What is the division of authority between this office and the American ambassador over consular work performed at this post?

Answer. As a general matter, the Ambassador exercises supervisory authority over consular work performed at his post. However, in certain areas of consular work, authority and responsibility are specifically vested by statute solely in the consular officer.

For example, Section 104 of the Immigration and Nationality Act of 1952 vests authority in the Secretary of State for the administration and enforcement of the provisions of the Act relating to "(1) the powers, duties and functions of diplomatic and consular officers of the United States, except those powers, duties and functions conferred upon the consular officers relating to the granting or refusal of visas."

Accordingly, various sections of the Act relating to the issuance of visas (e.g., section 221) and determination of eligibility for a visa (e.g., section 212; section 221(g)) vest the decision-making authority directly in the consular officer. Although the visa regulations of the Department of State provide for advisory opinions by the Department on interpretation of the law, the ultimate decision with respect to visa eligibility in each case lies with the consular officer.

Under 22 USC 211(a) the Secretary of State is authorized to grant and issue passports and cause passorts to be granted and issued in foreign countries by diplomatic representatives of the United States and by consular officers as he shall designate. In general, the determinations of eligibility for a U.S. passport of persons abroad are made by U.S. consular officers in accordance with general guidelines in the Department's regulations and under the supervision of the Ambassador. However, in some individual cases the matter may be referred to the Department for decision. With respect to the determination of U.S. citizenship of persons outside the United States, vested in the Secretary by Section 104 of the Act, the initial determinations are made by the consular officer under the general supervision of the Ambassador but subject to final approval by the Department. It should be borne in mind that most determinations relating to passport eligibility and acquisition or loss of citizenship are essentially legal determinations.

Other consular functions are carried out under the general supervisory authority of the Ambassador although with respect to many of these other consular services authority and responsibility are specifically vested by statute in the consular officer. These include a broad range of consular services such as those relating to Americans who die abroad and their estates, U.S. vessels and seamen, notarial services and collection of and responsibility for fees for such services (e.g., 22 USC 1171–1204; 46 USC 570–1, 656–9, 662–3).

Question 3(a). First class post offices are authorized to handle passport applications. How many were so handled last year?

Answer. First class Post Offices accepted 53,895 fee passport applications during fiscal year 1971.

Question 3(b). Does the State Department reimburse the U.S. Postal Service for this arrangement?

Answer. Public Law 92–14, effective May 14, 1971, authorizes the Secretary of State "to transfer to the Postal Service the execution fee of $2.00 for each application accepted by that Service." Since that date, no appropriated funds have been used for this purpose.

Question 4(a). What consular functions or services are required by law? What percentage of the work of consular office is devoted to providing these services or doing this work?

Answer. It is not readily possible to distinguish between (1) those consular functions which the Secretary of State, the Administrator for the Bureau of Security and Consular Affairs, the Department or its consular officers are *required* by law to perform and (2) those functions that the above are *authorized* by law to perform. However, we have attempted to make this distinction wherever possible in the following enumeration of consular functions:

Nationality. Under section 104(a) of the Immigration and Nationality Act (8 U.S.C. sec. 1104), the Secretary is charged with the administration and enforcement of the provisions of the Act and all other immigration and nationality laws

relating to a) the powers, duties and functions of diplomatic and consular officers of the United States (except those conferred upon consular officers to grant and refuse visas) and, b) those laws relating to the determination of nationality of a person not in the United States. The Administrator of the Bureau of Security and Consular Affairs is charged with any and all responsibility and authority in the administration of the Act which are conferred on the Secretary as may be delegated to him by the Secretary (sec. 104(b); 8 U.S.C. sec. 1104).

Among these responsibilities are the determination of nationality of persons not in the United States (sec. 104(a) of the Act; 8 U.S.C. sec. 1104), including:

(1) whether persons acquired United States nationality at birth under section 301(a) of the Act (8 U.S.C. sec. 1401) and the Acts of 1866, 1924, and 1940;

(2) whether persons have lost United States nationality under, principally, section 349(a) of the Act (8 U.S.C. sec. 1481), and under the Acts of 1907 and 1940, taking into account various court decisions on this subject.

(3) whether certain persons are entitled to resume nationality, particularly married women, under the Acts of 1923, 1933 and 1936.

Other required functions in this area include:

(1) approval of certificates of loss of nationality prepared by diplomatic or consular officers and forwarding approved certificates to the Attorney General (sec. 358; 8 U.S.C. sec. 1501); and

(2) issuance of certificates of identity for travel to the United States by a person denied a right or privilege as a national of the United States in order that such person may come to the United States to institute action for a judgment declaring him to be a national of the United States (sec. 360; 8 U.S.C. sec. 1503).

Visas and Aliens. With respect to the issuance and refusal of visas, the Secretary is charged by the Immigration and Nationality Act with responsibility for the administration and enforcement of the provisions of the Immigration and Nationality Act and all other immigration laws relating to (a) the powers, duties and functions of diplomatic and consular officers of the United States, except those conferred directly upon United States consular officers relating to the granting or refusal of visas; and (b) the powers, duties and functions of the Bureau of Security and Consular Affairs. Incidental thereto, the Secretary is empowered to issue regulations and instructions, prescribe forms, entries and other papers, and perform such other acts as he deems necessary to carry out these duties. (sec. 104; 8 U.S.C. sec. 11104). Although the immigration law vests final authority in American consular officers to issue and refuse visas, the Secretary necessarily exercises general responsibility and supervision over these matters. His interpretation of the law as reflected in regulations or in advisory opinions to visa officers abroad is controlling subject only to rulings on points of law rendered by the Attorney General (sec. 103a; 8 U.S.C. sec. 1103).

In particular, the Secretary is required to:

(1) determine what political entities constitute a separate "foreign state" for purposes of numerical limitations; also to specify particular "foreign state" to which other inhabited lands shall be attributed for these purposes. Upon recognition of changes in boundary lines, the Secretary gives effect to such changes by issuing appropriate instructions to all diplomatic and consular offices. (Secs. 202(b) and (d); 8 U.S.C. sec. 1152.);

(2) determine the time and manner of payment of immigrant visa fees and prescribe the amount of nonimmigrant visa fees on a reciprocal basis. (Sec. 281; 8 U.S.C. sec 1351.) (He may fix and established fees for other visa services rendered as authorized by title V of Public Law 82-137, approved August 31, 1951.) (Sec. 405(d); 8 U.S.C. sec. 1101 note.);

(3) prescribe the validity period of nonimmigrant visas on a reciprocal basis. (Sec. 221(c); 8 U.S.C. sec. 1201.);

(4) deduct numbers from the total visa numbers authorized upon receiving notice from the Attorney General of suspensions of deportation or of adjustments of status in the United States. (Secs. 244 and 245; 8 U.S.C. secs. 1254 and 1255.);

(5) approve or disapprove the deportation of certain diplomatic officers or representatives to international organizations. (Sec. 241(e); 8 U.S.C. sec. 1251.);

(6) provide by regulation for maintenance of waiting lists of visa applicants (Sec. 203(a)(8); 8 U.S.C. sec. 1153.).

Further, pursuant to authority conferred by the Congress, the Secretary

(1) recommends waivers of inadmissibility to the Attorney General in cases of nonimmigrant aliens and also may join with the Attorney General in waiving documentary requirements for nonimmigrant aliens under specified conditions. (Secs. 212(d)(3) and (4); 8 U.S.C. sec. 1182);

(2) waives the fingerprint and photograph requirements in the cases of nonimmigrants who qualify for diplomatic or official visas (Sec. 221(b); 8 U.S.C. sec. 1201) and may, acting jointly with the Attorney General, on a basis of reciprocity, waive the fingerprint requirement for any other class of nonimmigrants. (Sec. 8, Act of September 11, 1957; 8 U.S.C. sec. 1201);

(3) shares authority with consular officers to revoke a visa at any time in his discretion and communicate notice of such revocation to the Attorney General. (Sec. 221(i); 8 U.S.C. sec. 1201.);

(4) in the exercise of discretion, makes visa records available in court proceedings upon certification that they are necessary in the interest of justice in a pending case. (Sec. 222(f); 8 U.S.C. sec. 1202.);

(5) accepts foreign government officials and employees accredited to the United States. (Secs. 101(a)(15)(A)(i) and (ii); 8 U.S.C. sec. 1101.);

(6) makes reasonable estimates of demand for visa numbers on a quarterly basis and in reliance thereon authorizes the issuance of immigrant visas. Also, in the exercise of discretion, he may terminate the registration on a waiting list of any alien who fails to evidence a continuing intent to immigrate (Sec. 203(c); 8 U.S.C. sec. 1153.);

(7) by delegation from the President, the Secretary is authorized in time of war or national emergency to impose additional restrictions and prohibitions on the entry of persons to, and their departure from the United States. (Proclamation No. 3004 of January 17, 1953.)

Deaths and Estates. In the event of the death abroad of a United States citizen, consular officers are directed to:

(1) take possession and dispose of the personal estate left by a United States citizen, except a seaman, who dies within his jurisdiction leaving no legal representative therein and to act as provisional conservator of the estate; to collect debts due the decedent in his jurisdiction and pay the decedent's obligations; to sell at auction perishable property in the estate and to transmit the proceeds of such sale to the GAO there to be held in trust for the legal claimant (36 Stat. 1083, as amended; 22 U.S.C. sec. 1175.);

(2) place in a local gazette in his district a notice of the death of an American abroad; notify the Secretary of State and transmit to the Secretary an inventory of the effects of the deceased (54 Stat. 758; 22 U.S.C. sec. 1176.);

(3) follow and carry out lawful testamentary disposition made by the deceased regarding personal property in the foreign country so far as is consistent with the foreign law and the laws of the United States; or assist a person named in the disposition to take charge of and manage the property; and safeguard the decedent's property by placing it under his official seal (54 Stat. 1158; 22 U.S.C. sec. 1177).

Shipping and Seamen. With respect to shipping and seamen, consular officers are directed and required to:

(1) receive protests from United States captains, masters, crews, passengers or merchants (62 Stat. 92, 22 U.S.C. sec. 1173);

(2) upon complaint of the majority of the crew that the vessel is in unsuitable condition to go to sea, appoint inspectors to examine into the complaint (30 Stat. 757, as amended, 46 U.S.C. 656); approve or disapprove the inspectors' report (34 Stat. 100; 46 U.S.C. 657), and, if he approves, discharge crew members (23 Stat. 54, as amended; 46 U.S.C. 658); certify for payment by the master or by the complainants, depending on the result of the inspection, the costs of the inspection (34 Stat. 100, 46 U.S.C. 659); effect, upon complaint, examination of bad provisioning and require rectification of any deficiencies (17 Stat. 269; 46 U.S.C. 662–663);

(3) discharge seamen and mariners from United States vessels and keep account of arrival, departure, tonnage, and cargoes of such vessels and make returns of the same to the Secretary of Commerce (32 Stat. 29; 22 U.S.C. 1174);

(4) retain vessels' papers deposited with them as directed by law until payment of all demands and wages on account of such vessels (11 Stat. 63; 22 U.S.C. sec. 1185);

(5) give in foreign ports the required approval to the shipping of seamen (34 Stat. 100; 46 U.S.C. sec. 570);

(6) provide for seamen found in distress or destitute within their districts subsistence and passage to the United States (30 Stat. 755 and 34 Stat. 100; 46 U.S.C. secs. 593 and 678);

(7) arrange the passage on vessels of the United States of destitute seamen and issue collectible certificates for such transportation (23 Stat. 55 as amended; 46 U.S.C. sec. 679);

(8) require from the master of the vessel in connection with the discharge of a seaman, payment of wages due him (23 Stat. 54; 46 U.S.C. sec. 682);

(9) in the case of the sale abroad of a United States vessel and the discharge of her company, to obtain a list of the ship's company and, if necessary, accept deposit from the master of such ship money as is necessary to defray expenses of seamen's maintenance and passage home and record the agreement with the crew regarding such payment (30 Stat. 759; 46 U.S.C. sec. 684);

(10) require in the case of discharge of a seaman on his request for good cause, that the master pay one month's wages and make other provisions for employment of the seaman or his passage home (23 Stat. 54; 46 U.S.C. sec. 685);

(11) discountenance and make certain investigations into cases of insubordination by seamen (23 Stat. 55 as amended, 46 U.S.C. sec 703);

(12) to receive or claim the money and effects of seamen dying on United States vessels, sell the effects if expedient and remit all moneys to the district court of the vessel's home port (17 Stat. 271, 272; 46 U.S.C. secs. 621–622, 624.);

(13) certify for import into the United States in small vessel the export from foreign countries of alcoholic liquors (49 Stat. 520; 19 U.S.C. sec. 1707);

Consular officers have authority to:

(1) certify the export from foreign countries of wild mammals or birds as legal under local law for import into the United States (46 Stat. 741; 19 U.S.C. 1527);

(2) order for the conveyance of gold bullion, coin, notes or bonds on United States vessels (34 Stat. 100; 46 U.S.C. sec. 98).

Notarial and Related Acts. The authority vested in the President to prescribe fees to be charged for such official services performed by Embassies, legations and consulates abroad (34 Stat. 100; 22 U.S.C. sec. 1201) has been delegated to the Secretary of State by E. O. 10718, June 27, 1957, 22 F.R. 4632. Also, the Secretary, as head of agency, is authorized to prescribe fees for services performed by the agency for other than official Government business (65 Stat. 290; 31 U.S.C. sec. 483a).

As to notarial and related acts including those relating to judicial procedure, consular officers are required to:

(1) act as witnesses to marriages abroad and issue certificates of such marriages (12 Stat. 79; 22 U.S.C. sec. 1172);

(2) give receipts for all fees collected for official services (11 Stat. 58; 22 U.S.C. sec. 1192);

(3) keep a registry of fees so received (11 Stat. 58; 22 U.S.C. sec. 1193);

(4) administer to or take from any person any oath, affirmation, affidavit or deposition and to perform any other notarial act which any notary public is required or authorized by law to do within the United States (34 Stat. 101; 22 U.S.C. sec. 1195);

(5) take testimony relating to the genuineness of documents used in a criminal proceeding (62 Stat. 834, as amended; 18 U.S.C. secs. 3492, 3493), to certify the genuineness of such documents (62 Stat. 835; 18 U.S.C. sec. 3494).

Consular officers have authority to:

(1) serve as the channel for the transmission of letters rogatory (78 Stat. 996; 28 U.S.C. sec. 1781);

(2) perform various functions relating to and including the taking of testimony abroad in civil actions (34 Stat. 100; 22 U.S.C. sec. 1204; Rule 28(b), F.R.C.P.), and collect fees for their services in connection with the taking of testimony abroad in civil actions (34 Stat. 835, as amended; 18 U.S.C. sec. 3495).

Protection of Detained U.S. Nationals. Section 1732 of Title 22, United States Code, which was enacted in 1868, imposes upon the President duties with respect to "any citizen of the United States . . . unjustly deprived of his liberty by or under the authority of any foreign government', the duty to demand the reasons for such imprisonment, and to demand his release. If the release of such citizen should be unreasonably delayed or refused, he shall use such means short of acts of war as he may think necessary or proper to obtain or effectuate the release, all facts and proceedings relative thereto shall be communicated to the Congress as soon as practicable. In general pursuance of this responsibility imposed by the Congress, consular visits are made to the detained American to assure that he is receiving reasonable treatment and is not being discriminated against by reason of his citizenship.

Federal Benefits. Officers and employees of the Foreign Service are required to perfrom functions in connection with the distribution of federal benefits to recipients residing abroad. (Sec. 311 of the Foreign Service Act of 1946.)

Passports. The Secretary is authorized to grant and issue passports and cause passports to be granted and issued in foreign countries by diplomatic and consular representatives of the United States under such rules as the President shall prescribe. (44 Stat. 887, 22 U.S.C. sec. 211(a)). Under E.O. 11295 of August 5, 1966 (31 F.R. 10603), the authority to prescribe such rules was delegated to the Secretary.

It is estimated that approximately 90 percent of the work of consular offices abroad is devoted to providing services required or authorized by law. This includes visas as well as passports, citizenship, and many other consular services.

The 10 percent of the consular workload which is not statutory includes assistance of various kinds to U.S. citizens who are in difficulty abroad. In additon, our consular staffs must handle a great many requests from U.S. citizens abroad or their relatives in this country for help and information of all kinds.

Question 4(b). Has any study been made in recent years concerning the possible revision in the scope of the functions of consular offices?

Answer. A number of studies have been made in recent years concerning possible revisions in the scope of the functions of consular offices abroad. Among these are:

A. *The Inter-Agency Study Group Report on Payments of Federal Benefits to Persons Residing Abroad prepared for the NSC Under Secretaries Committee and submitted on November 5, 1971.*

The implementation of the findings and recommendations of this report will increase the scope of the consular function at posts where there are heavy concentrations of Federal Benefits work because claims development work will be shifted from the Social Security Agency in the U.S. to these locations. The report recommends that claims development work be shifted initially to posts in Germany and England, and subsequently to other Foreign Service posts in Europe. Claims development work has already been shifted to posts in Greece, Italy, the Philippines and Guadalajara, Mexico.

B. *A Study with Proposals for Revision of Statutes Relating to Relief and Protection of Merchant Seamen Prepared in June 1967.*

This study proposes legislation to consolidate, eliminate where possible, and modernize the many statutes pertaining to U.S. seamen. If enacted such legislation would affect consular functions in the following ways:

1. Eliminate the mandatory requirement for deposit of ships papers.
2. Permit a notarial fee for a note of protest, thus reducing the number of copies masters now request.
3. Permit masters to sign meamen on and off without consular sanction but providing for direct communication with the Coast Guard.

C. *Studies to Eliminate Certain Non-Statutory Services to American Citizens.*

As a result of the Task Force Study—Roles and Functions of Diplomatic Missions, June 1970, studies were undertaken regarding the services provided to American citizens abroad in order to identify and eliminate those non-statutory services which were not clearly necessary. As a result, the following measures have thus far been taken:

1. The elimination, where feasible and where reasonably good general delivery postal systems exist, of the traditional receipt and delivery to transient and resident U.S. citizens of personal mail and parcels at Foreign Service posts in Western Europe, Canada, Iceland, Australia, and New Zealand.
2. The elimination or reduction of a variety of activities generally referred to as "Tourist Services" in matters satisfactorily managed through financial institutions, Better Business Bureaus, travel agencies, hotels, professional organizations, local officials and tourist offices. These services include search for missing luggage, efforts to recover lost or stolen items, attempts to settle disputes with local merchants or hotel managers.
3. Centralization of Treasury check distribution in each country.

Question 5(a). How many consular offices have been closed in the last five years?

Answer. During the period July 1, 1966 through June 30, 1971, six Embassies, four Consulates General, twenty-five Consulates and thirteen Consular Agencies were closed.

Question 5(b). How many have been opened?

Answer. During the same period, three Embassies, one Consulate General, seven Consulates and seven Consular Agencies were opened. A total of forty-eight posts were closed and eighteen posts were opened, representing a net reduction of thirty posts during the period.

Question 5(c). Has any study been made recently concerning the feasibility of closing some consular offices and doing the work they perform through the embassies?

Answer. The Department periodically studies the feasibility of closing consular offices and transferring the work performed by them to Embassies or to other foreign service posts in the same country. Decisions to close an office are made only after thorough consideration of such matters as: projected monetary and personnel savings; the nature and volume of statutory services required at each post, the need for United States representation in areas distant from capital cities, and possible adverse affects of post closings on public relations and U.S. commercial interests.

STATEMENT OF JOHN RICHARDSON, JR., ACTING ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

Mr. Chairman and members of the committee:

The purpose of the Bureau of Public Affairs is to strengthen two-way communication between the Department of State and the public; and to encourage and assist all elements of the Department of State in contributing to this objective. The Bureau is concentrating its efforts on improving existing public information programs.

To carry on its work the Bureau has the following resources:

	Fiscal year 1972 estimate		Fiscal year 1973 estimate		Increase	
	Number	Amount	Number	Amount	Number	Amount
Positions	116	$2,087,400	119	$2,113,600	3	$26,200
Operating expense funds		796,400		908,600		112,200
Total		2,833,800		3,022,200		138,400

Note: All funds for the Bureau derive from sec. 2; (a) "Administration of Foreign Affairs," salaries and expenses.

The requested increase of $138,400 is for the Historical Office where additional staff and money are required for compiling and printing the "Foreign Relations" volumes. This documentary series is the official record of United States foreign policy and diplomacy as conducted by the President and executive branch.

I believe the committee is aware of the President's determination to expedite the downgrading, declassification and release of information to the public to the greatest extent possible within the limits of national security. The need for such action has been widely recognized in the past year by members of the Congress, the news media, the academic community, the general public, and the Executive, beginning with the President, who initiated a government-wide review of this matter, now nearly completed, more than a year ago.

A principal purpose of my designation by Secretary Rogers as acting head of the Bureau of Public Affairs was to strengthen the efforts of the Bureau and the Department generally for greater "openness"—by which we mean more and better communication in both directions with the American public.

I am making a particular effort to advise the Secretary and other decision-making officials about public opinion and criticism on foreign policy. We are trying to build public opinion more extensively into the decision-making process in part by exposing more of our officers more frequently to direct contact with their fellow citizens around the country, to hear their views and concerns.

The increasing impact of public opinion on our foreign relations has been marked in recent years. We are interested in better communication with the American public, not only for its effects outside government, but equally for its effects upon us, on all our personnel, and thereby upon our decision-making process. We are seeking only the staff and funds clearly required for fulfilling our obligation for informing and being informed by the American public.

(Committee staff note: The following table provides additional information about the activities of the Bureau of Public Affairs:)

BUREAU OF PUBLIC AFFAIRS

SUMMARY - DOMESTIC

	1971 Actual		1972 Estimate		1973 Estimate		Increase	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	114	$1,844,708	116	$1,905,492	119	$1,941,246	+ 3	+ $ 35,754
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		1,938,102		2,087,400		2,113,600		+ 26,200
Operating Expense Funds Managed by This Office		812,900		796,400		908,600		+ 112,200
Total		2,751,002		2,883,800		3,022,200		+ 138,400

EXPLANATION OF DECREASE AND INCREASES:

	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASE:						
Extra Days' Pay	-	- $15,300	11	-	-	-
INCREASES:						
Within-Grade Salary Increases	-	+ 12,700	11	-	-	-
Improved Support	3	+ 28,800	13	-	+$112,200	158
Total Increases	3	+ 41,500		-	+ 112,200	
NET INCREASE/DECREASE	3	+ 26,200		-	+ 112,200	

*In addition to salary costs includes Retirement, Health Benefit, and Life Insurance Contributions; Terminal leave; and similar costs.

STATEMENT OF HERMAN POLLACK, DIRECTOR, BUREAU OF INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL AFFAIRS

For Fiscal Year 1973, the Bureau of International Scientific and Technological Affairs is requesting, under the Salaries and Expenses Appropriation, support for fifty-nine positions with an annual rate of $1,199,686 and operating funds to support the activities of the bureau in the amount of $317,100.

SCI's basic mission is to promote the effective utilization of U.S. capabilities in science and technology to advance our national interests and to strengthen our international economic, political and cultural relationships.

In support of this mission, the Bureau of International Scientific and Technological Affairs has identified four major goals for its program.

(1) Promote Constructive Utilization of the Peaceful Benefits of Science and Technology to Advance U.S. Interests and to Strengthen U.S. Policy Relationships while Forestalling the Diversion of Such Technology to Military or Other Programs Inimical to Those Interests.

The pursuit of this broad goal has involved SCI in a wide range of activities; bilateral and multilateral cooperative programs in applied research and advance technologies (particularly those relating to such public interest areas as health, the environment, natural resources, urban problems, etc.); cooperative programs in space research and applications (including U.S. launch assistance for foreign satellites and space probes); international cooperation in realizing the benefits of the peaceful uses of atomic energy while insuring against the proliferation of nuclear weapons; advising in the export of U.S. high-technology products under appropirate safeguards; international cooperation in atmospheric research and the development of weather modification technology; etc.

(2) Establish and Retain U.S. Influence in International Scientific, Technological and Environmental Programs and Organizations to Promote U.S. Political or Economic Interests.

International organizations (and such regional groupings as the Organization of Ameircan States) have come to play an ever-increasing role in international science and technology. SCI has a major responsibility for assuring that U.S. participation in and support for these activities reflects the properly coordinated mission interests of each of the many domestic agencies and departments involved as well as supporting U.S. national interests broadly conceived. Currently, SCI is particularly involved with the International Atomic Energy Agency, the Stockholm Conference on the Environment, the NATO Committees in Science and Challenges to Modern Society, the OECD Committees in Science Policy and on the Environment, the OAS, the ECAFF/WMO Typhoon Committee and the Antarctic Consultative Group.

(3) Ensure that the International Activities of U.S. Scientific, Technological and Environmental Agencies are Conducted with Full Knowledge of, and in Consonance with, U.S. Foreign Policy Interests.

More than 20 U.S. Government agencies and departments are engaged in scientific activities overseas or in cooperation with foreign counterparts. In addition, the National Academy of Sciences and the National Academy of Engineering represents U.S. interests in a large number of international activities, both continuing and ad hoc. It is SCI's responsibility to insure that these activities are planned and conducted with due regard for foreign policy considerations. Further, SCI is increasingly involved in insuring the coordination of the various agencies' scientific and technical involvements with particular foreign nations. During recent months, SCI has established under the International Committee of the Federal Council for Science and Technology three special working groups to insure coordination in the areas of special foreign currency programs, bilaterals, and Latin American programs.

(4) Identify Foreign Policy Issues Emerging from Scientific and Technological Developments, Direct the Focus Within the Department to Deal with These Issues, and Provide Foreign Policy Decision Makers with Appropriate Policy Analyses and Recommendations for Decision.

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Progress in science and particularly technology is perceived by modern nations (whether developed or aspiring to development) as a key ingredient of economic growth, military strength and public well being. Capability in (or even a publicized commitment to) such "big technology" programs as applications satellites, uranium enrichment or advanced aircraft is widely held to be evidence of a nation's power and influence. It is SCI's responsibility to identify significant new developments in science and technology (or significant shifts of the priority assigned to S&T by other nations) which are likely to pose new issues in foreign policy, to inform the Department on these developments, and to play a leadership role in defining the relevant policy options open to U.S. foreign affairs has grown enormously in the last several years and continues

Let me say that the workload associated with science and technology in foreign affairs has grown enormously in the last several years and continues to grow ever faster.

The quickening pace of activity in this area is indicated by the fact that in the last three years the SCI bureau has negotiated eight bilateral agreements for general cooperation in S&T. There are now thirteen such agreements in all. In addition to their other values, these were all motivated by foreign relations considerations. In the past two years, no less than thirteen ministerial delegations have visited the United States and looked to the Department of State for statements and interpretations of U.S. policy on technical subjects. SCI bears the responsibility for these visits. In addition, of course, there were innumerable high-level individual visitors. In those same two years, we prepared thirty major statements of policy on a wide range of issues, such as space launch assistance, freedom of exchange of information, sale of enriched uranium, sale of gaseous diffusion technology, post-Apollo cooperation, etc.

Increasingly, the very subject of international relations is nuclear energy, space, satellite communications, technology transfer, weather modification and similar topics. Although pure science remains as important a concern as ever the problems of technology are presently the more compelling in their relationship both to the domestic economy and to our international relationships. The President underscored that point when in his first message to Congress this year he especially emphasized technology and governmental intentions to promote its development.

The growing effect of technology upon politics, economic, and cultures throughout the world, will in the next five years increasingly influence the diologue among nations. In the multi-polar world to which we must adjust, management of these relationships will determine the nation's relative ascendency in a technology oriented world.

These matters present new problems and to deal with them effectively requires new skills, new concepts and new working arrangements. Our Government understands this well. In his State of the Union message, the President announced a major new program to stimulate more imaginative use of America's great capacity for technology advance to strengthen our position in the world and improve the quality of life for every American. The details of this program will be included in a special message on technology to be sent to the Congress shortly. In his Foreign Policy Report just issued, he referred to a "new dimension of international life" in which the world faces a series of urgent problems which transcend geographic and ideological borders whose solution will require "international cooperation on the broadest scale."

Other governments understand these points as well as they are establishing new ministries of science and technology and new units in their foreign offices. They are defining and adopting comparable policies and programs to which, in part, we are reacting. They, in turn, are reacting to our policies and programs. And this, of course, is what gives rise to international relations.

Since the United States is the world's leader in science and technology, it is natural that other nations throughout the world are interested in special relationships with the U.S. in various fields of science and technology. It is in our national interest to respond affirmatively to these interests.

Science and technology developments are not only altering the traditional pattern of international relations, but pose new problems that require policy analysis and international agreement. For example, remote sensing satellites will soon have the ability to acquire national resource data of commercial value on a global basis. The management of this capability and its relationship to existing concepts of national sovereignty obviously will also require international agreement. In this and other areas of equivalent importance, SCI provides government-wide leadership in developing the U.S. position and in leading or participating in the discussions and negotiations designed to bring about international agreement.

In the past, the Department's concern with activities dealing with science and technology was limited. The great change which has occurred is not difficult to understand when one considers the commonplace but nevertheless basic truth that the world is undergoing an almost cataclysmic scientific and technological revolution—and the United States is at the front lines—that is changing the very structure of society and relationships among nations at a pace that challenges the ability of governments to devise adequate policies and arrangements to deal with the new problems that are being created.

(Committee staff note: The following tables provide additional information about the activities of the Bureau of International Scientific and Technological Affairs:)

BUREAU OF INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL AFFAIRS

SUMMARY - DOMESTIC

	1971 Actual		1972 Estimate		1973 Estimate		Increase	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	44	$925,301	44	$935,431	59	$1,199,686	15	+$264,255
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		973,811		1,024,700		1,234,600		+ 209,900
Operating Expense Funds Managed by This Office		257,931		248,100		317,100		+ 69,000
Total		1,231,742		1,272,800		1,551,700		+ 278,900

EXPLANATION OF DECREASE AND INCREASES:

	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASE:						
Extra Day's Pay	-	- $7,500	11	-	-	-
INCREASES:						
Within-Grade Salary Increases	-	+ 4,500	11	-	-	-
Improved Support	15	+ 212,900	12		+ $69,000	38
Total Increases	15	+ 217,400		-	+ 69,000	
NET INCREASE/DECREASE	15	+ 209,900		-	+ 69,000	

* In addition to salary costs includes Retirement, Health Benefit, and Life Insurance Contributions; Terminal Leave; and similar costs.

PERMANENT STAFF BY ORGANIZATIONAL UNIT - DOMESTIC

Unit	1971 Actual		1972 Estimate		1973 Estimate		Increase	
	No.	Annual Rate	No.	Annual Rate	No.	Annual Rate	No.	Annual Rate
Office of the Director	10	$179,367	11	$214,255	14	$268,924	3	$ 54,669
Office of Atomic Energy Affairs	7	167,552	7	170,924	8	188,685	1	17,761
Office of Space, Atmospheric and Marine Science Affairs	5	118,787	5	119,646	7	150,363	2	30,717
Office of General Scientific Affairs	10	220,589	9	187,953	16	319,199	7	131,246
Office of Environmental Affairs	12	239,006	12	242,653	14	272,515	2	29,862
Total, Bureau of International Scientific and Technological Affairs	44	925,301	44	935,431	59	1,199,686	15	264,255

ANSWERS TO QUESTIONS SUBMITTED TO MR. HERMAN POLLACK, DIRECTOR, BUREAU OF INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL AFFAIRS BY THE CHAIRMAN FOR THE RECORD

Question 1. Of the fifty-nine positions in the Bureau of International Scientific and Technological Affairs, how many are held by people who have an advanced degree in science and/or technology?

Answer. SCI does not have fifty-nine positions at the present time. It is asking for a total of fifty-nine positions for FY 1973. For FY 1972 SCI is authorized 44 positions. This includes both officers and clerks. Of this total 10 positions are filled with personnel with advanced degrees in science and technology. In our request for an increase of 15 positions for FY 1973 it is planned that four of the positions will be filled by personnel with advanced scientific degrees.

Question 2. Please provide a detailed description of all current weather modification programs, both civilian and military. What is the foreign policy significance of each of these programs?

Answer. The Interagency Committee for Atmospheric Sciences (ICAS) Report No. 15A of June 1971, enclosed, covers the main weather modification research projects undertaken by the Federal Government. The Department of Defense also conducts, in addition to the cold fog dispersal program covered in the ICAS Report, a number of precipitation augmentation research programs. The Department of Defense has carried out cloud seeding programs in India, the Philippines and Okinawa to relieve drought. The ICAS Report and the additional projects noted here cover all projects with which the Department of State is familiar. (The report is in the committee files.)

All of the projects covered by the ICAS are still considered to be in the research or experimental stage.

In measuring the foreign policy significance of these weather modification programs a number of general considerations would apply:

1. Full realization of potential benefits from applications of weather modification will require international cooperation.

2. Requests from other countries for assistance in weather modification activities are expected to increase. (The U.S. ability to respond positively is limited by the state-of-the-art and lack of institutional capability to provide such assistance.

3. Weather modification conducted for the benefit of one country may, depending on the circumstances, affect another country.

4. Domestic regulatory legislation is inadequate for international purposes, particularly from the standpoint of possible liability.

5. Concern about potential implications of weather modification has led to strong interest on the part of the scientific community and others for international arrangements to provide a framework for weather modification activities.

Aside from these broad general considerations the only programs described in the ICAS Report as augmented above that affect our foreign relations today are the hurricane moderation project Stormfury, and the Great Lakes Snow Redistribution Project.

The Department has worked very closely with the DOD and the Department of Commerce over the past six or seven years in working out the arrangements under which we conduct hurricane modification experiments. Our efforts in this regard have included keeping all interested nations in the area adequately informed about Stormfury and obtaining their acquiescence in the conduct of the experiments. The program thus far has occasioned no serious difficulties, since it is an experimental program working under strict safety precautions that severely restrict the choice of storms for experimental seeding. The Department of Commerce believes that its program would be considerably advanced if it had an opportunity to carry out more experiments. Accordingly, it has been investigating the feasibility of transferring the experimental program to the Western Pacific, where the frequency of severe tropical storms suitable for experimental seeding is much greater. This move may be made at a future time.

The Department of State supports the proposed move of Stormfury to the Pacific, since we believe advances in this technology could save the American public much loss of life and property and U.S. leadership in its development on behalf of all peoples would provide important foreign policy benefits. However, our work to date with NOAA and DOD on the political arrangements for conducting Stormfury experiments in the Western Pacific has already indicated

some of the political problems which must be overcome. The Japanese, have expressed concern that these experiments, even though conducted many hundreds of miles from their territory, might alter the intensity of the storm, or alter the paths of the storms, so as to increase the hazard to their coastal areas. It is also possible that seeding can affect the distribution of rainfall in economically significant ways, particularly in light of the fact that rainfall associated with typhoons accounts for a major component of the total annual precipitation of several of the Pacific nations. Even though improvements in scientific understanding of the total effect of seeding on the behavior of hurricanes may relieve some of these concerns, it is apparent that the full realization of the potential benefits of hurricane moderation will require international arrangements which are likely to be complex and to require extensive preparatory work and patient negotiation.

GREAT LAKES SNOW REDISTRIBUTION PROJECT

The Department of State has consulted regularly with the Canadian Government in recent years about the snow redistribution experiments in the Great Lakes area. Since the area affected by the experiment is in the U.S., there has been no problem with the Canadians in working out arrangements for the experiments. Some aircraft emp'oyed in the experiments operate over Canadian territory, and the planning and conduct of the experiments depends on the availability of detailed meteorological data from Canadian weather stations.

Question 3. What are the specific institutional mechanisms for bringing scientific and technological matters before the NSC for consideration? Who on the NSC staff handles these matters on a daily basis?

Answer. There is regular liaison between the scientific offices of the various departments and the NSC and OST staffs. Mr. John Walsh is the NSC staff member dealing with scientific matters.

Question 4. Please provide a list and brief description of the inter-agency studies prepared in FY 1971 or currently underway in which this Bureau participated or is participating.

Answer. The Bureau contributed to studies on the following subjects:

Space Cooperation
Peaceful Uses of Atomic Energy
Atmospheric Sciences
Environment
Polar Sciences
Bilateral Scientific Relationships

Question 5. For FY 1971 please list all of the international conferences in which the Bureau took part and the cost of each. How does this compare to FY 1972 and what is planned for FY 1973?

Answer. Listed below are the multi-lateral conferences in which the Bureau of International Scientific and Technological Affairs (SCI) took part in fiscal years 1971, and 1972. SCI participation in these conferences was funded from the appropriation controlled by the Office of International Conferences of the Bureau of International Organization Affairs.

It is anticipated that SCI participation will continue at approximately the same level in fiscal year 1973.

MULTI-LATERAL CONFERENCES FY–71

NATO

Science Committee Meetings
Committee on Challenges of a Modern Society Meetings

OECD

Environment Committee Meeting
Science Policy Committee

IAEA

Safeguards Meeting
Special Meeting
14th General Conference
Board of Governors Meeting

UNESCO

Oceanographic Committee Meeting

IA-ECOSOC

Inter-American Council for Education, Science and Culture Meeting

UN

Science Advisory Committee
Conference on Human Environment Meetings

ECE

Environment Committee Meeting

MULTI-LATERAL CONFERENCES FY–72 (AS OF 3/15/72)

NATO

Science Committee Meetings

OECD

Science Policy Committee
Environment Committee Meeting
Research Cooperation Meeting

IAEA

Board of Governors Meeting
15th General Conference

UN

Conference on Human Environment Meetings
Committee on Peaceful Uses of Outer Space
4th International Conference on Peaceful Uses of Atomic Energy

Listed below are Bilateral Meetings and Conferences in which the Bureau of International Scientific and Technological Affairs (SCI) took part in fiscal years 1971 and 1972. Participation in these meetings and conferences was funded by SCI and the cost is shown below.

It is anticipated that SCI participation in Bilateral Meetings and Conferences will continue at approximately the same level in fiscal year 1973.

BILATERAL MEETINGS & CONFERENCES FY–71

US/Japan Committee on Scientific Cooperation
US/Japan Cooperative Medical Science Committee
US/French Scientific and Technical Cooperation Program
US/Hungarian Discussions on Cooperative Program
US/Mexican Discussions on Desalting Matters
Cost ---------- 15,400

BILATERAL MEETINGS & CONFERENCES FY-72 (AS OF 3/15/72)

US/Japan Cooperative Medical Science Committee
US/Japan Committee on Scientific Cooperation
US/Mexican Discussion on Cooperative Agreement
US/Spanish Cooperative Program
US/USSR Exchanges Program
Joint US/European Working Group on Development of Space Transportation System
Cost ---------- 8,000

STATEMENT OF EARNEST J. WARLOW, DIRECTOR, OFFICE OF FOREIGN BUILDINGS

Mr. Chairman and Members of the Committee:

The Office of Foreign Buildings is responsible for the acquisition, construction, operation and maintenance of office space for our Embassies and Consulates

abroad and living quarters for the American staff—where serious housing problems exist. Our present holdings of over 1,600 buildings, containing approximately 17 million gross square feet, are located in 238 capitals and principal cities around the world. The total investment is approximately $300 million but at current real estate prices, these properties are estimated to be worth close to $600 million.

In the proposed bill before the Committee and under the heading "Administration of Foreign Affairs", the Office of Foreign Buildings requests authorization for appropriation for fiscal year 1973 totalling $33,582,000, detailed as follows:

Acquisition, Operation, and Maintenance of Building Abroad	$27,127,000
Acquisition, Operation and Maintenance of Building Abroad (Special Foreign Currency Program)	6,455,000

The latter amount is to purchase foreign currencies from the United States Treasury which have been generated by the sale of surplus agricultural commodities. Under the terms of Section 104(d) of Public Law 480, as amended, these currencies are available for carrying out a buildings program overseas. In 1973, these currencies excess to U.S. Government requirements are expected to be available for use in ten (10) countries.

The programming of the total funds are basically divided into two categories, the "Capital Account" and "Operating Account". Regarding the Capital Account, these funds are used for the acquisition of sites and improved properties, development of plans for and construction of office buildings, residences, and staff apartments. Of the total $33.6 million proposed authorization for 1973, $14.8 million is for the Capital program. The major capital projects and costs involved are: Tokyo office building—$8.5 million; Belgrade office building—$3.6 million; Beirut Office building—$2.1 million; seven (7) residences and four (4) staff apartments in Belgrade and Tunis—$.6 million.

The remaining amount requested, $18,745,000, is for the "Operating Account" which is for normal day-to-day operation and maintenance of buildings and residences. This category of expense covers *minor improvements* to existing properties which become necessary to meet new requirements for owned or long-term leased office buildings, residences or ancillary buildings. In addition, the Opreating Account includes *recurring rent payments* for properties leased for periods of ten years or more. (The initial rental payment, whether for one year, ten years, or the entire life of the lease, is charged against the Capital Account.) This account also provides the funds needed to meet the Department's share of daily *operating expenses of buildings* such as utility costs, building supplies, fuel etc. It provides funds for the *maintenance and repair* of Government-owned and long-term leased buildings and equipment; for example, regular painting replacement or repair of roofs, doors, windows, floors, air-conditioners, furnaces; and minor alterations such as the relocation of office partitions or doors. *Furnishings and equipment for new buildings, additional furniture, and the repair or replacement of* furniture and equipment are also covered by the Operating Account, as is the cost of *supervision of construction projects*, including salaries of project supervisors and their assistants, their supplies and travel costs. (At present, there are 10 Americans and 17 local employee overseas in this category.) Lastly, the Operating Account includes the costs of administering this program—the Washington salaries and personnel benefits, travel, services, supplies, and equipment for 62 domestic employees.

This domestic staff is engaged in design and construction aspects of the program, property acquisitions and disposals, contract negotiation and execution, interior design and furnishings, as well as program direction administration.

That concludes my statement, Mr. Chairman. I will be glad to answer any questions the Committee may have concerning our buildings program overseas.

(Committee staff note: The following tables provide additional information about the activities of the Office of Foreign Buildings:)

DEPARTMENT OF STATE

Acquisition, Operation, and Maintenance of Buildings Abroad, State

Appropriation, 1972	$ 18,750,000
Estimate, 1973	27,127,000
Increase	+ 8,377,000

Explanation of Increase:

Acquisition, Development and Construction:	1972	1973	Increase or Decrease
Africa	$ 324,000	$ 1,100,000	$ + 776,000
American Republics	8,999,000	160,000	- 8,839,000
East Asia and Pacific Affairs	99,000	8,500,000	+ 8,401,000
Europe	419,000	1,175,000	+ 756,000
Near East and South Asia	1,100,000	3,337,000	+ 2,237,000
Total, Projects	10,941,000	14,272,000	+ 3,331,000
Operations:			
Minor improvements	636,000	636,000	--
Leasehold payments	643,000	564,000	- 79,000
Operation of buildings	6,328,000	6,680,000	+ 352,000
Maintenance and repair of buildings	3,660,000	4,000,000	+ 340,000
Furnishings and equipment:			
Newly acquired or constructed projects	350,000	350,000	--
Additional, replacements and repairs	1,272,000	1,500,000	+ 228,000
Project supervision	542,000	554,000	+ 12,000
Administration	1,539,000	1,561,000	+ 22,000
Total, Operations	14,970,000	15,845,000	+ 875,000
Total Obligations	25,911,000	30,117,000	+ 4,206,000
Deduct: Unobligated balance brought forward	-2,766,000	- 30,000	+ 2,736,000
Anticipated proceeds of sale of real property and miscellaneous receipts	-4,425,000	-2,960,000	+ 1,465,000
Add: Unobligated balance carried forward	+ 30,000	--	- 30,000
Appropriation or Estimate	18,750,000	27,127,000	+ 8,377,000

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD
SUMMARY OF REGULAR PROGRAM
(Thousands of Dollars)

Program (Area and Activity)	Actual FY 1971	Estimate FY 1972	Estimate FY 1973	Increase or Decrease	Page
Acquisition, Development & Construction:					
AF	131	324	1,100	+ 776	9
ARA	2,998	8,999	160	- 8,839	--
EA	1,064	99	8,500	+ 8,401	10
EUR	483	419	1,175	+ 756	11-14
NEA	184	1,100	3,337	+ 2,237	15-17
Total, Projects	4,860	10,941	14,272	+ 3,331	
Operations:					
Minor Improvements	939	636	636	--	18
Leasehold Payments	583	643	564	- 79	18-20
Operation of Buildings	5,841	6,328	6,680	+ 352	21
Maintenance & Repair of Buildings	3,556	3,660	4,000	+ 340	21
Furniture, Furnishings & Equipment:					
New Projects	152	350	350	--	22
Additional, Replacements & Repairs	1,188	1,272	1,500	+ 228	22
Project Supervision	583	542	554	+ 12	23
Administration	1,402	1,539	1,561	+ 22	24
Total, Operations	14,244	14,970	15,845	+ 875	
Total, Obligations	19,104	25,911	30,117	+ 4,206	
Financing:					
Unobligated Balance Brought Forward	-1,641	-2,766	- 30	+ 2,736	
Proceeds of Sales & Misc. Receipts	-5,929	-4,425	-2,960	+ 1,465	
Unobligated Balance Carried Forward	+2,766	+ 30	--	- 30	
Appropriation or Estimate	14,300	18,750	27,127	+ 8,377	

Summary of 1973 Program
(Thousands of Dollars)

The following table shows the project distribution, source of funding, and purposes for which funds will be used in the appropriation for FY 1973:

Area	Country and Post	Project	Total Program	New Appropriation	Carryover Funds and Proceeds of Sale					Page
					Total	Unimproved Land	Improved Property	Project Development	Project Constr.	
Acquisition, Development & Construction:										
AF:	Senegal, Dakar	OB/IC	1,100	--	1,100	--	--	--	1,100	9
ARA:	Brazil, Brasilia*	OB	60	--	60	--	--	--	60	--
	Guatemala, Guatemala City*	OB	100	--	100	--	--	--	100	--
	Subtotal, ARA		160	--	160	--	--	--	160	
EA:	Japan, Tokyo	OB	8,500	8,500	(8,500)	--	--	--	(8,500)	10
EUR:	Portugal, Lisbon	OB	140	--	140	--	--	140	--	11
	Romania, Bucharest	OB Site	200	—	200	200	--	--	--	12
	Spain, Madrid	DCMR	135	--	135	--	135	--	--	13
	Yugoslavia, Belgrade	OB	700	700	(700)	--	--	--	(700)	14
					475	200	135	140	--	
	Subtotal, EUR		1,175	700	(700)	--	--	--	(700)	
NEA:	Afghanistan, Kabul	ER	35	--	35	--	--	35	--	15-16
	Afghanistan, Kabul	UB	32	--	32	--	--	32	--	15-16
	Afghanistan, Kabul	MDQ	10	--	10	--	--	10	--	15-16
	Afghanistan, Kabul	SA-20	60	--	60	--	--	60	--	15-16
	Lebanon, Beirut	OB	3,200	2,082	(2,082)	--	--	--	(2,082)	17
					1,118	--	--	--	1,118	
	Subtotal, NEA		3,337	2,082	(2,082)	--	--	--	(2,082)	
					1,255	--	--	137	1,118	
	Total Projects		14,272	11,282	(11,282)	--	--	--	(11,282)	
					2,990	200	135	277	2,378	
Operations			15,845	15,845	--					18-24
	GRAND TOTAL		30,117	27,127	2,990					

* These projects have been approved by the Congress in prior year budgets. They are shown here with the estimated funds required for completion in FY 1973.

NOTE: The amounts in brackets ( ) are non-add. They are shown in order to indicate the nature of the Capital project.

DEPARTMENT OF STATE

Acquisition, Operation, and Maintenance of Buildings Abroad
(Special Foreign Currency Program)

Appropriation, 1972	$ 6,850,000
Estimate, 1973	6,455,000
Decrease	- 395,000

Explanation of Decrease:

	1972	1973	Increase or Decrease
Payment to "Acquisition, Operation, and Maintenance of Buildings Abroad" (Total obligations)	$ 8,754,000	$ 6,455,000	-$ 2,299,000
Deduct: Unobligated balance brought forward	- 1,904,000	--	+ 1,904,000
Appropriation or Estimate	6,850,000	6,455,000	- 395,000

ANSWERS TO QUESTIONS SUBMITTED TO MR. WARLOW, DIRECTER, OFFICE OF FOREIGN BUILDINGS BY THE CHAIRMAN FOR THE RECORD

Question 1. Please furnish a breakdown of the authorized amounts remaining in the capital account by area.

Answer. The remaining authorized balances by area under PL 88-94 and PL 89-636 as of June 30, 1972 for the Regular Appropriation (19X0535) would be: (In Thousands of Dollars)

AF	$3,944
ARA	3,831
EA	8,968
EUR	6,007
NEA	2,850
USIA	790
ATTACHES	240
Total	$26,630

Authority granted for the Special Foreign Currency Program (19X0538) by Section 104(b) of PL-480 of the Agricultural Trade Development and Assistance Act of 1954 is unlimited in amount and time. The cumulative appropriations for the Foreign Buildings program from fiscal 1961 through fiscal 1972 total $55,466,000.

Question 2. (a) What is the policy of the Department in providing staff apartments and residences abroad? Is it to group the American official community closely together?

(b) Does the housing provided by FBO tend to set Foreign Service Officers and employees apart from the local community, not only physically, but in standard of living? Does this accord with the policy of showing a lower profile abroad?

Answer. (a) The policy in regard to staff housing abroad is as stated in House Report No. 1551 on H.R. 14019 (P.L. 89-636), which reads, in part, as follows:

"5. To provide Government-owned furnished quarters for a substantial part of the American staff at posts where special housing problems exist, such as health, security, long-term housing shortages, etc., where no practical alternative to Government housing can be found.

"In this latter connection the Committee has been consistently opposed to the trend toward the acquisition of apartments or compounds to meet housing needs . . . Admittedly there are special circumstances that make it desirable or necessary to concentrate U.S. Government personnel in a single building or in a compound. But the committee believes that individuals living as part of the local community, rather than apart from it, not only derive personal advantages but also convey a more favorable impression to the community."

(b) We believe FBO housing is roughly equivalent to that acquired or leased by Western European governments in the same cities. It is consistently less grand than the housing acquired or leased by American business firms in the same places. Because American standards of living are higher than most of the countries where we are represented, and employees are deserving of housing approaching American standards, the staff and middle-grade-officer housing we acquire tends to be in the middle and upper middle class areas of most cities, but not apart from the local community of equivalent means. In general, FBO housing is fairly well dispersed in these residential areas and is not ostentatious. We believe a reasonable balance is maintained between showing a low profile abroad and supplying housing meeting the reasonable requirements of U.S. employees.

Question 3. What is the status of negotiations between the U.S. and USSR to construct new chanceries in Washington and Moscow?

Answer. The basic agreement to exchange 85-year leaseholds for plots of land in Moscow and Washington, D.C., was signed on May 16, 1969. It will not come into full force and effect until the Conditions of Construction are agreed upon and the respective sites are accepted as ready for construction. Under the agreement the Soviets receive the Mt. Alto site in Washington of about 12.52 acres while we will obtain the Konyushkovskaya site of about 10.15 acres and the land of about 1.79 acres on which the present Embassy Residence is located, in Moscow. We will continue to pay rent for the Residence building. The Soviets have also agreed not to construct on a triangle strip of land of about .67 acres which fronts on a corner of the Konyushkovskaya site and which will remain a green area.

While progress has been made in resolving many technical aspects of the Conditions of Construction, the negotiations are at an impasse on questions affecting security, and freedom of choice in design and construction of our complex in Moscow. We have made every effort to reach agreement with the Soviets on the issues. To this end we sent representatives of the American architect firm of Skidmore, Owens and Merrill, San Francisco Branch, and their associates and Gruzen and Partners of New York, who are our contract architects for the project, to Moscow to develop design considerations and the availability of suitable local material and labor for the various trades. A revised draft of the Conditions of Construction reflecting the information obtained by the architects was presented by the Soviets in October, 1971. We are awaiting their response to the draft.

Question 4. Please furnish a detailed justification for the quarterly leasehold payments of $130,000 in Munich, Germany.

Answer. The leasehold payments of about $130,000 for Munich are annual payments made on a quarterly basis and paid in German marks. The payments cover three separate long-term leases currently involving a total of 43 apartment units as follows:

Lease No.	Number of apartment units	Terms	Annual rent
S636-FBO-137	1	Apr. 1, 1956, to Mar. 31, 1976	$2,851
S636-FBO-135	22	Nov. 1, 1955, to Oct. 31, 1975	55,973
S636-FBO-136	20	Jan. 1, 1956, to Dec. 31, 1975	70,488

Question 5. What procedures are followed to assure quality design of American buildings abroad?

Answer. A. After years of experience and study FBO has developed an refined basic criteria guidelines for building space arrangement and engineering. In this connection the program is served by an Architectural Advisory Panel consisting of three outstanding architects from the private sector. In the past, recognized architects such as Saarinen, Belluschi, Deans Anderson and Passonneau have given freely of their professional services in this capacity. The present Panel consists of John Lyon Reid, practicing architect, Dean Charles Moore, Architect and ex-Dean of the School of Design, Yale University, and Dean George Anselevicius of Washington University, St. Louis, Mo. The members serve 3-year terms with the term of one member ending annually. The services provided by the Panel are:

1. Recommend the selection of architectural and engineering firms for major building design commissions.
2. Review and approve architectural and engineering designs.

B. FBO Technical Staff:

1. Interviews and approves prospective architects and engineers prior to the award of a contract for their services.
2. This specialized staff of architects and engineers reviews development work to assure its conformance with good professional practice and suitability for the particular country involved.

C. Construction supervisors on the FBO staff are assigned full time to the construction projects to assure that the quality of work and the equipment and material used conforms with the scope of the approved design.

D. FBO project architects and engineers monitor the administrative and technical aspects of the project and periodically visit the construction site to assure quality performance.

Question 6. What effect, if any, does the Foreign Buildings program have on the U.S. balance of payments situation?

Answer. The Regular Appropriation (19X0535) Foreign Buildings Program for new Capital projects has an adverse impact on the U.S. balance of payments in the early years by the amount of outlays required (usually running from 2 to

3 years). After the project is paid for, the impact is reversed since by having a Government-owned building, there would not be a requirement for the annual expense in renting similar space. Cost of renting space continually increases. The maximum advantageous impact is realized whenever the property is no longer required (for whatever the reason) and is sold. Experience proves that the sales price approximates double the original cost.

As far as the daily operating expenses of Government-owned and long-term-leased properties are concerned, the effect on the balance of payments is close to $10,000,000 annually. However, this effect—and more—would prevail if all overseas properties were short-term leased.

The Special Foreign Currency Program has no adverse effect on the balance of payments. Conversely, by the use of these excess foreign currencies, the Foreign Building program is able to carry out a good portion of its total program without the outlay of U.S. dollars abroad.

STATEMENT OF MR. G. MARVIN GENTILE, DEPUTY ASSISTANT SECRETARY OF STATE FOR SECURITY

The Office of Security plans, develops, and directs the personnel, physical, and technical security programs of the Department and the Foreign Services. It conducts the investigations of all applicants for employment with the Department of State and the evaluation of those investigations. Additionally, the Office of Security provides investigative services in support of Passport, Visa, Munitions Control, and other activities of the Department; maintaining liaison with domestic security and law enforcement agencies; physically protects the Secretary of State and, as necessary the Under Secretary of State; is responsible for Departmental representation of the Interdepartmental Committee on Internal Security (ICIS) and directly related Committees and Subcommittees.

It conducts a sophisticated research and development program in electronic countermeasures in the physical security field in support of the domestic and overseas operations of official U.S. Government installations.

Financial and personnel assets necessary to carry out the above operations are $7,879,000 for 200 officer and clerical positions for fiscal year 1973, in the category of the Administration of Foreign Affairs and appropriation, Salaries and Expenses.

In addition to the above, the Office of Security has a total of 86 officers strategically located in 52 U.S. Missions overseas to carry out the defensive security program for all Department of State personnel and installations abroad, as well as for other U.S. Government representation located within our official diplomatic missions. These officers have general responsibility for direction of all phases of security of a defensive nature, including the direct supervision of approximately 1,000 Marine Security Guards assigned to the installations and approximately 100 U.S. Navy Seabees assigned for either supervision of new construction or actual performance of building maintenance and renovation work where Security requirements exist.

In recent years a new dimension has been added to the overseas security program as a result of the indiscriminate bombings of American installations, the kidnapping and murder of diplomatic personnel, as well as other terrorist activities. In response to this milieu of terrorism, Office of Security has requested and procurred a wide variety of defensive hardware, including, but not limited to, such items as armored vehicles, radio networks, alarm systems, weaponry, locking devices, and perimeter barricades. Defensive procedures and techniques dealing with terrorism have been studied, promulgated in pamphlets and implemented. The utility of this hardware and techniques in counter-terrorism is contingent upon a corps of trained specialists who have wide experience in contingency planning, the handling and maintenance of defensive hardware and, finally, are competent in the situations and emergencies inherent in the terrorist environment.

(Committee staff note: The following table provides additional information about the activities of the Office of Security:)

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OFFICE OF SECURITY

SUMMARY - DOMESTIC

	1971 Actual		1972 Estimate		1973 Estimate		Increase or Decrease	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	221	$3,491,067	221	$3,519,831	221	$3,519,831	-	-
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		3,664,695		3,855,800		3,850,300		-$ 5,500
Operating Expense Funds Managed by This Office		4,036,770		3,979,000		4,028,700		+ 49,700
Total		7,701,465		7,834,800		7,879,000		+ 44,200

EXPLANATION OF DECREASES AND INCREASES:

	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASES:						
Extra Day's Pay	-	- $28,300	11	-	-$ 4,300	18
INCREASES:						
Within-Grade Salary Increases	-	+ 22,800	11	-	-	-
Improved Support	-	-	-	-	+ 54,000	188
Total Increases	-	- 22,800		-	+ 54,000	
NET INCREASE/DECREASE	-	- 5,500			+ 49,700	

* In addition to salary costs includes Retirement, Health Benefit, and Life Insurance Contributions; Terminal Leave; and similar costs.

ANSWERS TO QUESTIONS SUBMITTED TO G. MARVIN GENTILE, DEPUTY ASSISTANT SECRETARY OF STATE FOR SECURITY BY THE CHAIRMAN FOR THE RECORD

Question 1. The budget estimate lists the personnel of the office at 221 and the statement at 200 in the United States and 86 overseas. Would you reconcile this for the record please?

Answer. At the time budget estimates were prepared Office of Security was authorized 221 positions. However, subsequently advice was received that effective July 1, 1972, the employment level is established at 200 positions or a reduction of 21 positions. The eighty six (86) personnel overseas are not reflected in the budget estimate of the Office of Security as these positions are controlled and reported in the estimates of the respective Regional Bureaus. Office of Security made reference to the eighty-six personnel in the statement for the purpose of explaining its scope of functional responsibility.

Question 2. How much is spent on the "sophisticated research and development program in electronic counter-measures" referred to in the statement?

Answer. Office of Security has an amount of $520,000 included for fiscal year 1973, for use in its Research and Development program.

Question 3. How many agents are assigned to protect the Secretary of State and other high officials?

Answer. The Secretary of State's physical protection detail consists of seven special agents.

Question 4. (a.) In view of the existence of the FBI, the Secret Service and the GSA guards, what is the justification for the State Department to have its own security branch?

Answer. (a.) The Office of Security, Department of State, provides a total security program for the Department both domestically, and overseas. The program includes the investigation and security evaluation of all applicants for positions with the Department, and the physical protection of State Department facilities, personnel, and classified materials worldwide. While the Office of Security works closely with the FBI, Secret Service and GSA in certain areas of common interest, none of these agencies is equipped or has the authority to handle the worldwide security program of this Department.

The Department has found it less expensive, by approximately ten percent, by conducting its own applicant type full field investigations as compared with Civil Service Commission charges for similar investigations.

In addition to being geared to conduct personnel security investigations to meet the criteria of the intelligence and security community, the Office of Security is responsible for investigations involving passport fraud, visa fraud, munitions control, foreign service local employees who have resided in or visited the United States, alleged misconduct of incumbents, security updating of employees, certain Presidential appointees, and requests by other federal agencies for overseas investigations.

Question 4. (b.) Your office conducts investigations of applicants for employment within the Department and evaluates the investigations. Does the USIA have an office which performs the same function for applicants for employment in the USA? Does AID also?

Answer. (b.) Under the provisions of Executive Order 10450, the head of each Department and Agency is required to establish and maintain an effective program to insure the employment and retention of employees consistent with national security. E.O. 10450 requires each officer or employee to be subject to investigation.

USIA and AID also have a Security Office; however, they each have a limited investigative staff since their applicant investigations are primarily conducted by the Civil Service Commission, either by legal requirement (USIA) or by agreement (AID).

The overseas investigations for USIA, AID, and the Civil Service Commission are conducted by State Security. USIA and AID each have their own security staff, as does State, to evaluate the investigations.

Question 4. (c). Why is there not one central investigations office for applicants for all government positions, or, at least, a central investigations office for personnel involved in foreign affairs?

Answer. (c.) During the past several years, several bills have been introduced by both the Senate and the House to establish a central security office in the Executive Branch of the Government to conduct investigations of applicants.

The Department maintains a staff of Special Agents for investigations and related service work in addition to conducting background investigations for security clearances. Security background investigations constitute approximately 70% of the total case assignments which are handled in the United States by the Department's Special Agents. The use of a second agency for personnel background investigations would not permit the Department to maintain the necessary domestic facility to handle the remaining 30% of operational and investigative assignments, except on a cost basis that would be prohibitive and wasteful. These other assignments include support investigations in this country for the Passport and Visa Offices and highly sensitive support investigations for Country Directors and other operational groups in the Department. For example, with respect to troubled areas of the world, special operational groups have called upon the Office of Security to make domestic inquiries of a sensitive nature, often involving unusual time factors. These operations require that the Department maintain its own investigative staff.

Question 4. (d) Will you furnish details concerning the number of personnel and costs, by agency, involved in investigations of applicants for employment in agencies whose personnel serve abroad?

Answer. (d) Unfortunately, figures are not available in the Department of State on numbers of personnel and costs relating to investigation of applicants for employment with other agencies whose personnel serve abroad.

STATEMENT OF MR. WILLIAM H. GOODMAN, DEPUTY ASSISTANT SECRETARY OF STATE FOR COMMUNICATIONS

Mr. Chairman and Members of the Committee:

The Office of Communications in the Bureau of Administration performs two (2) major functions—worldwide electrical communications and worldwide diplomatic mail service—involving a total of 406 positions at a cost of $5,548,000 in salaries and $9,904,900 in operating expenses. The grand total of $15,452,900 is part of the overall Salaries and Expenses budget under the Administration of Foreign Affairs.

To carry out its functions, the Office of Communications is organized into four divisions and two staffs. The largest division is the Communications Center (177 positions), a modern, secure facility which operates 24 hours a day, seven days a week to send, receive, and relay telegrams between Washington and Missions abroad.

In support of the Department's worldwide electrical communications operations, the Engineering Division of the Office of Communications with 41 positions, designs, tests, and modifies comunications equipment for use in the Department and at posts abroad. It procures and ships spare parts and other provisions required to keep equipment functioning properly. Communications Technicians working out of this division install and maintain equipment used in the Department's Communications Center, at the U.S. Mission to the United Nations in New York, and at posts in Canada and Latin America. Technical direction and support of Communications Technicians stationed at other overseas posts are also provided by this division.

In further support of electrical communications, the Communications Security Division with 15 positions, develops, implements, and continually reviews programs for the protection of classified information transmitted and for the protection of the systems used. It determines the worldwide requirements for

cryptographic systems and material, and obtains, stores, and ships such material as needed. This division works closely with the National Security Agency and U.S. Communications Security Board.

Finally, in support of electrical communications, the Operations and Programs Staff with 25 positions, develops programs to fulfill the short-term and long-term requirements of posts abroad. This Staff plans and designs overseas communications facilities and determines, procures, and monitors worldwide circuitry requirements. It supervises the installation and maintenance of telephone systems where required at overseas posts, and coordinates the development of special communications support for travel of the Secretary of State, major international conferences, and crises situations. The Operations and Programs Staff also plans and coordinates implementation of emergency voice radio facilities used at posts abroad in the protection of U.S. Government personnel and for emergency voice communications in the event normal telegraphic channels are disrupted. This includes developing signal plans and negotiating reciprocal radio agreements with other governments.

Turning now to the second major function of the Office of Communications, i.e., the movement of mail, the Diplomatic Mail Division with 134 positions operates the accompanied and unaccompanied diplomatic pouch service. Classified material is moved around the world under diplomatic courier escort; 78 Diplomatic Couriers, operating out of three (3) regional bases—Washington, Frankfurt, and Bangkok—provide an average twice-weekly service directly to 143 Foreign Service posts. Unclassified material is moved internationally by unaccompanied diplomatic pouches using air and surface facilities. This division also provides the central mail and messenger service within the Department.

Administrative support to the Office of Communications—including budget preparation, personnel management and general services—is provided by the Executive Staff with 14 positions. This Staff also participates in overseas assignment of communications personnel, provides for technical training, and administers the Department's overseas records management program.

OFFICE OF COMMUNICATIONS

SUMMARY - DOMESTIC AND OVERSEAS

	1971 Actual		1972 Estimate		1973 Estimate		Increase or Decrease	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Average Net Permanent American Positions and Annual Rate	406	$4,992,862	406	$5,056,136	406	$5,056,136	-	-
Estimated Net Cost of Permanent American Employment (Central American Salary Account)*		5,250,375		5,551,400		5,548,000		- 3,400
Operating Expense Funds Managed by This Office		9,269,099		9,907,600		9,904,900		-$ 2,700
Total		14,519,474		15,459,000		15,452,900		- 6,100

EXPLANATION OF DECREASE AND INCREASE:	Centrally Managed American Salary Account			Operating Expenses of This Office		
	No.	Amount	Page	No.	Amount	Page
DECREASE:						
Extra Day's Pay	-	- $41,100	11	-	-$ 2,700	18
INCREASE:						
Within-Grade Salary Increases	-	+ 37,700	11	-	-	-
NET INCREASE/DECREASE	-	- 3,400		-	- 2,700	

*In addition to salary costs includes Retirement, Health Benefits, and Life Insurance Contributions; Terminal Leave; Hardship Post Differential; and similar costs.

ANSWERS TO QUESTIONS SUBMITTED TO MR. WILLIAM H. GOODMAN, DEPUTY ASSISTANT SECRETARY OF STATE FOR COMMUNICATIONS, BY THE CHAIRMAN FOR THE RECORD

Question. 1. (a) How many telegrams does the Department send and receive on an average day? What is the current annual rate? How do the current daily and annual rates compare with those for 10 years ago?

Answer. On an average day the Department sends 441 telegrams and receives 784. The Department currently handles approximately 122,400 outgoing and 301,800 incoming telegrams annually. In 1963 the daily average for outgoing telegrams was 680; for incoming 978. That year 248,300 telegrams were sent and 357,200 received.

Question. (b) Approximately how many classified telegrams are sent and received each day, by classification?

Answer. On an average day, 174 classified telegrams are sent, and 367 received. Of the total number of telegrams sent and received by the Department each day, approximately one half of one percent are classified Top Secret, five percent Secret and fourteen percent Confidential.

Question. 1. (c) How many airgrams or other such categories of communications are sent and received on an average day?

Answer. On an average day, the Department sends 53 airgrams and receives 191. Telegrams and airgrams are the only forms of controlled record communications used between the Department and posts abroad.

Question. (d) How many pieces of mail are sent and received by diplomatic pouch on an average day?

Answer. On an average day, the Department sends 12,511 pieces of mail and receives 9,314 by diplomatic pouch.

Question. (e) How many diplomatic couriers are there and what is the amount of daily traffic they carry?

Answer. There are 78 diplomatic couriers; each courier carries an average 100 pounds of classified material (3 pouches) daily.

Question 2. What is the annual cost for each major category of communications between the Department and posts abroad?

Answer. There are two major categories; telegraphic communications and diplomatic mail (pouch). The total annual cost to the Department for telegraphic communications is $13,332,000; the total annual cost for diplomatic pouch service is $6,485,000.

Question 3(a). Do AID, USIA and the Peace Corps use the Department of State's communications facilities? To what extent do each have similar facilities of their own? What is the estimated annual costs of operation of each agency's separate facilities for communicating with their posts abroad?

Answer. AID, USIA and Peace Corps all use the Department of State's communications facilities. None of these agencies have similar facilities of their own.

Question 3(b). Do these agencies reimburse State for use of State communications facilities? If so, what is the current annual reimbursement from each?

Answer. Yes. The current annual reimbursement from AID, is $1.484,218; USIA $1,080,337; and Peace Corps $317,908.

Question 3(c). What other agencies maintain facilities for direct telegraphic communication to foreign posts? What, if any, system exists to coordinate communications requirements of all agencies and minimize duplication of facilities?

Answer. Generally there is only the one direct telegraphic communications link serving foreign service posts, and providing service to all U.S. Government elements represented at the post.

Communications requirements and facilities for overseas agencies are coordinated in Washington within the National Communications System to validate requirements and minimize duplication. Additionally, each agency's communications program is examined in depth by the Office of Management and Budget.

Question 4(a). How many people sign off on the average outgoing telegram dealing with a policy matter? How many copies are made and distributed?

Answer. The average outgoing telegram, received in the telegraph office, has been cleared by 2 people outside the office of origin. On the average, 44 copies of an outgoing telegram are made and distributed.

No practical way exists to distinguish telegrams dealing with policy matters from other telegrams, the averages cited are based on *total* outgoing telegrams processed.

Question 4(b). How many copies are made and distributed of the average incoming telegram dealing with a policy question?

Answer. On the average, 70 copies of an incoming telegram are made and distributed. Here again, the average is based on *total* incoming telegrams processed.

Mr. MACOMBER. I have no other formal statement, Mr. Chairman. I think in these few days, between your oral questions and the material you asked for us to submit for the record, you have done a remarkable job in covering a very broad budget request, which is actually 17 different appropriations. I think you have asked about almost all of them. Certainly with these additional statements coming in the record they have all been covered.

The CHAIRMAN. That is fine. It has been very interesting, the beginning of a procedure which I think will help the committee and I hope may be helpful for the Department.

NEED TO REEXAMINE PROGRAMS

The main thing, I believe, that keeps recurring to me, is the need to reexamine all of the programs at least periodically, not this continuing examination, as they say, but giving them a real hard look, at least periodically, to see if there is still a justification for their continuance. This is true of all large organizations; it isn't confined to the State Department. I have already gone over this. I won't repeat the reason. You were here when we went through it. So I was very encouraged by the reaction of some of your people who did not think this was a far-out idea and that they could undertake seriously to do it.

Mr. MACOMBER. No, sir, I think, on the contrary, that they recognize the need for this. I think there are two major problems Foreign Officers are plagued with all over the world. One is that every Foreign Office in the world has a better idea of what its job used to be than what it is today. The nature of the business is changing rapidly after not having changed for hundreds of years. Since World War II, however, it has gone through a complete evolution. We are now catching up with the new dimensions of the job and getting geared up to it.

I think people in diplomatic work recognize that more and more.

The second is also a difficult problem. This has to do with momentum. Specific policies get started, often with very sound reasons, but tend occasionally to be continued beyond the point when those reasons still remain valid. Adequate devices for constant review of policies are essential.

The CHAIRMAN. Of course, as I tried to make clear, it is not peculiar to the State Department. The Senate itself and Congress are as tradition bound and more so. There is no institution I know of that is more tradition bound than the Congress, not only in important ways, but even in little ways. So it is something we all have to fight all of the time.

QUESTION OF AVAILABILITY OF INFORMATION

There is this question of the availability of information. As the war winds down—at least the Administration insists that it is, and to some extent even I agree it is, but I do not agree it is over yet—nevertheless, that ought to lead to a relaxation on this extreme secrecy. I hope the

spirit of the President's new order, I believe as of yesterday, about classification will be abided by.

I only read the newspaper account of it. I am not sure it goes as far as I would like because secrecy has been so overdone that I do not know whether the President could in one stroke correct it or not. It has been so grossly abused. I do not mean by just this Administration. This started a long time ago. It has culminated under the impact of the continued war.

I am handed the text of the Executive Order and the statement of the President. I think since we have been talking about it, I will ask that this be put in the record for easy reference. I had not seen the actual Executive Order itself.

(The information referred to follows:)

THE WHITE HOUSE—STATEMENT BY THE PRESIDENT

I have today signed an Executive order establishing a new, more progressive system for classification and declassification of Government documents relating to national security. This reform springs from a review that I initiated almost 14 months ago and represents the first major overhaul of our classification procedures since 1953.

By a separate action, I have also directed the Secretary of State to accelerate publication of the official documentary series, "Foreign Relations of the United States," so that historians and others will have more rapid access to papers created after World War II.

Both of these actions are designed to lift the veil of secrecy which now enshrouds altogether too many papers written by employees of the Federal establishment—and to do so without jeopardizing any of our legitimate defense or foreign policy interests.

SHORTCOMINGS OF PRESENT CLASSIFICATION SYSTEM

Unfortunately, the system of classification which has evolved in the United States has failed to meet the standards of an open and democratic society, allowing too many papers to be classified for too long a time. The controls which have been imposed on classification authority have proved unworkable, and classification has frequently served to conceal bureaucratic mistakes or to prevent embarrassment to officials and administrations.

Once locked away in Government files, these papers have accumulated in enormous quantities and have become hidden from public exposure for years, for decades—even for generations. It is estimated that the National Archives now has 160 million pages of classified documents from World War II and over 300 million pages of classified documents for the years 1946 through 1954.

The many abuses of the security system can no longer be tolerated. Fundamental to our way of life is the belief that when information which properly belongs to the public is systematically withheld by those in power, the people soon become ignorant of their own affairs, distrustful of those who manage them, and—eventually—incapable of determining their own destinies.

Yet since the early days of the Republic, Americans have also recognized that the Federal Government is obliged to protect certain information which might otherwise jeopardize the security of the country. That need has become particularly acute in recent years as the United States has assumed a powerful position in world affairs, and as world peace has come to depend in large part on how that position is safeguarded. We are also moving into nn era of delicate negotiations in which it will be especially important that governments be able to communicate in confidence.

Clearly, the two principles of an informed public and of confidentiality within the Government are irreconcilable in their purest forms, and a balance must be struck between them.

REVIEW ORDERED IN JANUARY, 1971

In order to strike that balance in favor of more complete public disclosure and in keeping with my pledge to create an open Administration, I directed on

January 15, 1971 that a review be made of security classification procedures now in effect. An interagency committee was set up to study the existing system, to make recommendations with respect to its operation and to propose steps that might be taken to provide speedier declassification. I later directed that the scope of the review be expanded to cover all aspects of information security.

The Executive order I have signed today is based upon the results of this study, as well as on our own operational experiences under current rules, on findings of similar studies in the past growing out of Congressional hearings, and on a reexamination of the rationale underlying the Freedom of Information Act.

BASIS FOR OPTIMISM

We cannot be assured of complete success in this endeavor. In such a complex field, rules can never be airtight and we must rely upon the good judgment of individuals throughout the Government. Yet I believe that our new approach does provide a basis for considerable optimism. The full force of my office has been committed to this endeavor. The rules have been tightened with great care. In addition, in a critically important shift, we have reversed the burden of proof: for the first time, we are placing that burden—and even the threat of administrative sanction—upon those who wish to preserve the secrecy of documents, rather than upon those who wish to declassify them after a reasonable time.

The new system will become effective on June 1, 1972. Among its most significant features are these:

The rules for classifying documents are more restrictive.

The number of departments and people who can originally classify information has been substantially reduced.

Timetables ranging from 6 to 10 years have been set for the automatic declassification of documents. Exceptions will be allowed only for such information as falls within four specifically defined categories.

Any document exempted from automatic declassification will be subject to mandatory review after a 10-year period. Thus, for the first time, a private citizen is given a clear right to have national security information reviewed on the basis of specified criteria to determine if continued classification is warranted, so long as the document can be adequately identified and obtained by the Government with a reasonable amount of effort.

If information is still classified 30 years after origination, it will then be automatically declassified unless the head of the originating department determines in writing that its continued protection is still necessary and he sets a time for declassification.

Sanctions may be imposed upon those who abuse the system.

And a continuing monitoring process will be set up under the National Security Council and an Interagency Classification Review Committee, whose Chairman is to be appointed by the President.

These rules are explained in greater detail below.

ELEMENTS OF THE NEW SYSTEM

1. Tighter rules for classification.

Under the new order, materials can be classified Top Secret, Secret, or Confidential only if their unauthorized disclosure "*could reasonably be expected*" to cause, respectively, exceptionally grave damage, serious damage or damage to the national security. Heretofore, material could be classified if the originator had any expectation of such damage however remote. This new test is intended to reduce the amount of protected information. In addition, the order explicitly directs that the "Top Secret" stamp must be used with "utmost restraint" while "Secret" shall be used "sparingly."

2. Reduction in classification authority.

The new order also substantially reduces the number of agencies in the Government authorized to classify information and material. Under current rules, 24 Federal departments and agencies outside the Executive Office of the President have broad classification authority, while several others have more restricted powers. Under the new system, only 12 departments and agencies and such offices in the Executive Office as the President may designate will have authority to originally classify information "Top Secret" and 13 others will have authority to stamp materials "Secret" and "Confidential."

In the principal departments concerned with national security, namely State, Defense and the CIA, the number of individuals who may be authorized to classify material "Top Secret" is also drastically reduced from 5100 to approximately 1860. This authority may be exercised only by the heads of the departments and agencies and certain high officials within their organizations whom the heads must designate in writing. Reductions in classification authority are also being made at the "Secret" and "Confidential" levels.

It is anticipated that by reducing the number of agencies with classification powers as well as the number of people within those agencies who have personal clasification authority, we can sharply reduce the quantity of material which enters the Government's classified files.

3. Precise identification of classified information

A major source of unnecessary classification under the old Executive order was the practical impossibility of discerning which portions of a classified document actually required classification. Incorporation of any material from a classified paper into another document usually resulted in the classification of the new document, and innocuous portions of neither paper could be released.

To the extent practicable, each classified document under the new system will be marked to show which portions are classified, at what level, and which portions are unclassified.

4. Rule for declassifying documents

Perhaps the most innovative and crucial aspect of the Executive order I have signed today is the procedure it establishes for the downgrading and declassification of documents. Aside from a small amount of documents which are subject to declassification after a 12-year period as specified by existing regulations, the vast majority of documents classified since World War II have never been given a rigorous declassification review and they remain classified to this day. I believe we can cure these ills under the new order.

A. DOCUMENTS CLASSIFIED AFTER MAY 31, 1972

Unless specifically exempted, all documents classified after May 31, 1972, are to be automatically downgraded *and* declassified. "Top Secret" information is to downgraded to "Secret" after 2 years, to "Confidential" after 2 more years, and declassified after a total of 10 years. "Secret" information is to be downgraded to "Confidential" after 2 years and declassified after a total of 8 years. "Confidential" documents are to be declassified after 6 years.

Information may be exempted from the automatic process only by an official with "Top Secret" classification authority and that official must specify in writing in which of four specific exemption categories the material falls and, where possible, he must also indicate when declassification will in fact occur. The four exemption categories are:

—Classified information furnished in confidence by a foreign government or international organization;

—Classified information covered by statute, or pertaining to cryptography, or disclosing intelligence sources or methods;

Classified information disclosing a system, plan, installation, project or specific foreign relations matter the continued protection of which is essential to the national security.

Classified information which, if disclosed, "would place a person in immediate jeopardy." The jeopardy intended here is physical harm, not personal embarrassment or discomfiture.

Upon request from anyone, including a member of the general public, exempted material is subject to mandatory review by the originating Department after ten years from the date of origin so long as (a) the request describes the record with sufficient particularity that it may be identified, and (b) the record can be obtained with a reasonable amount of effort.

If material is still classified 30 years after the date of its original classification, it shall then be automatically declassified. Classification may be further extended only if the head of the originating Department personally determines in writing that its continued protection is essential to national security or that its disclosure would place a person in immediae jeopardy. In these instances—and I am encouraged to believe that they will be limited in number—the Department head must also specify the period of continued classification.

B. DOCUMENTS CLASSIFIED BEFORE JUNE 1, 1972.

Essentially these same standards will be applied to materials classified prior to the effective date of this order, but in view of their vast quantity, the 6–10 year rule for automatic declassification can only be applied to those documents already subject to a 12-year declassification order under current procedures. All others will be subject to the mandatory review process at any time after 10 years from the date of origin, provided the particularity and reasonable effort tests are met. After 30 years all remaining classified information shall be systematically reviewed for declassification by the Archivist of the United States. The Archivist shall continue the protection of this material after the 30-year deadline only if the head of the originating Department so specifies in writing under conditions noted above.

This new responsibility for the Archivist is tailored to fit with Administration plans for an immediate and systematic declassification of World War II documents. On August 3, 1971, I asked the Congress for a supplemental appropriation of $636,000 so that we could begin this project under the direction of the National Archives and Record Service of the General Services Administration. The Congress has not yet responded to this request, but I am hopeful of action this year.

5. Sanctions against over-classification.

Unlike the current system, in which officials find it in their own best interest to classify all materials of a questionable nature, I am hopeful that the new Executive order will encourage them to exercise their authority with restraint. The order explicitly states that information shall never be classified "in order to conceal inefficiency or administrative error . . . or to prevent for any other reason the release of information which does not require protection in the interest of national security." More than that, each agency is to provide a means of identifying the classifying authority for each document and each official is to be held personally responsible for the propriety of the classifications attributed to him. Repeated abuse of the process through excessive classification shall be grounds for administrative action.

6. Monitoring the new system.

Of critical importance to the effectiveness of my Executive order will be the new administrative machinery designed to ensure that its provisions are not allowed to become mere meaningless exhortations. The National Security Council will monitor compliance with the Executive order. In addition, the order creates a small Interagency Classification Review Committee with extensive powers to oversee agency implementation of the new system, and to take action on complaints both from within and from outside the Government on the administration of the order.

Accelerating publication of foreign relations series.

My second action today was to direct an acceleration in the publication by the Department of State of the official documentary series, "Foreign Relations of the United States." Since 1861, that series has been an invaluable resource for historians and others interested in our past. For many years each publication contained documents written only a few years before, but soon after the Second World War, when Government files were bulging with war papers, a 20-year lag developed between origination and publication. Now, however, the lag has stretched to 26 years and the Department of State is presently publishing materials relating to events of 1946. This delay is too long, and I have directed the Secretary of State to institute immediately a program to reduce this time lag to 20 years, and to accomplish this mission within three years. I have also instructed the Secretary of Defense, the Director of Central Intelligence, and my Assistant for National Security Affairs to cooperate fully with this effort.

MARCH 8, 1972.

THE WHITE HOUSE—EXECUTIVE ORDER

CLASSIFICATION AND DECLASSIFICATION OF NATIONAL SECURITY INFORMATION AND MATERIAL

The interests of the United States and its citizens are best served by making information regarding the affairs of Government readily available to the public.

This concept of an informed citizenry is reflected in the Freedom of Information Act and in the current public information policies of the executive branch.

Within the Federal Government there is some official information and material which, because it bears directly on the effectiveness of our national defense and the conduct of our foreign relations, must be subject to some constraints for the security of our Nation and the safety of our people and our allies. To protect against actions hostile to the United States, of both an overt and covert nature, it is essential that such official information and material be given only limited dissemination.

This official information or material, referred to as classified information or material in this order, is expressly exempted from public disclosure by Section 552(b)(1) of Title 5, United States Code. Wrongful disclosure of such information or material is recognized in the Federal Criminal Code as providing a basis for prosecution.

To ensure that such information and material is protected, but only to the extent and for such period as is necessary, this order identifies the information to be protectel, prescribed classifications, downgrading, declassification and safeguarding procedures to be followed, and establishes a monitoring system to ensure its effectiveness.

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and statutes of the United States, it is hereby ordered:

Section 1. Security Classification Categories. Official information or material which requires protection against unauthorized disclosure in the interest of the national defense or foreign relations of the United States (hereinafter collectively termed "national security") shall be classified in one of three categories, namely "Top Secret," "Secret," or "Confidential," depending upon the degree of its significance to national security. No other categories shall be used to identify official information or material as requiring protection in the interest of national security, except as otherwise expressly provided by statute. These classification categories are defined as follows:

(A) *"Top Secret."* "Top Secret" refers to that national security information or material which requires the highest degree of protection. The test for assigning "Top Secret" classification shall be whether its unauthorized disclosure could reasonably be expected to cause exceptionally grave damage to the national security. Examples of "exceptionally grave damage" include armed hostilities against the United States or its allies; disruption of foreign relations vitally affecting the national security; the compromise of vital national defense plans or complex cryptologic and communications intelligence systems; the revelation of sensitive intelligence operations; and the disclosure of scientific or technological developments vital to national security. This classification shall be used with the utmost restraint.

(B) *"Secret."* "Secret" refers to that national security information or material which requires a substantial degree of protection. The test for assigning "Secret" classification shall be whether its unauthorized disclosure could reasonably be expected to cause serious damage to the national security. Examples of "serious damage" include disruption of foreign relations significantly affecting the national security; significant impairment of a program or policy directly related to the national security; revelation of significant military plans or intelligence operations; and compromise of significant scientific or technological developments relating to national security. The classification "Secret" shall be sparingly used.

(C) *"Confidential."* "Confidential" refers to that national security information or material which requires protection. The test for assigning "Confidential" classification shall be whether its unauthorized disclosure could reasonably be expected to cause damage to the national security.

Section 2. Authority to Classify. The authority to originally classify information or material under this order shall be restricted solely to those offices within the executive branch which are concerned with matters of national security, and shall be limited to the minimum number absolutely required for efficient administration. Except as the context may otherwise indicate, the term "Department" as used in this order shall include agency or other governmental unit.

(A) The authority to originally classify information or material under this order as "Top Secret" shall be exercised only by such officials as the President may designate in writing and by:

(1) The heads of the Departments listed below;

(2) Such of their senior principal deputies and assistants as the heads of such Departments may designate in writing; and

(3) Such heads and senior principal deputies and assistants of major elements of such Departments, as the heads of such Departments may designate in writing

Such offices in the Executive Office of the President as the President may designate in writing
Central Intelligence Agency
Atomic Energy Commission
Department of State
Department of the Treasury
Department of Defense
Department of the Army
Department of the Navy
Department of the Air Force
United States Arms Control and Disarmament Agency
Department of Justice
National Aeronautics and Space Administration
Agency for International Development

(B) The authority to originally classify information or material under this order as "Secret" shall be exercised only by:

(1) Officials who have "Top Secret" classification authority;

(2) Such subordinates as officials with "Top Secret" classification authority under (A)(1) and (2) above may designate in writing; and

(3) The heads of the following named Departments and such senior principal deputies or assistants as they may designate in writing.

Department of Transportation
Federal Communications Commission
Export-Import Bank of the United States
Department of Commerce
United States Civil Service Commission
United States Information Agency
General Services Administration
Department of Health, Education, and Welfare
Civil Aeronautics Board
Federal Maritime Commission
Federal Power Commission
National Science Foundation
Overseas Private Investment Corporation

(C) The authority to originally classify information or material under this order as "Confidential" may be exercised by officials who have "Top Secret" or "Secret" classification authority and such officials as they may designate in writing.

(D) Any Department not referred to herein and any Department or unit established hereafter shall not have authority to originally classify information or material under this order, unless specifically authorized hereafter by an Executive order.

Section 3. Authority to Downgrade and Declassify. The authority to downgrade and declassify national security information or material shall be exercised as follows:

(A) Information or material may be downgraded or declassified by the official authorizing the original classification, by a successor in capacity or by a supervisory official of either.

(B) Downgrading and declassification authority may also be exercised by an official specifically authorized under regulations issued by the head of the Department listed in Sections 2(A) or (B) hereof.

(C) In the case of classified information or material officially transferred by or pursuant to statute or Executive order in conjunction with a transfer of function and not merely for storage purposes, the receiving Department shall be deemed to be the originating Department for all purposes under this order including downgrading and declassification.

(D) In the case of classified information or material not officially transferred within (C) above, but originated in a Department which has since ceased to exist, each Department in possession shall be deemed to be the originating Department for all purposes under this order.

Such information or material may be downgraded and declassified by the Department in possession after consulting with any other Departments having an interest in the subject matter.

(E) Classified information or material transferred to the General Services Administration for accession into the Archives of the United States shall be downgraded and declassified by the Archivist of the United States in accordance with this order, directives of the President issued through the National Security Council and pertinent regulations of the Departments.

(F) Classified information or material with special markings, as described in Section 8, shall be downgraded and declassified as required by law and governing regulations.

Section 4. Classification. Each person possessing classifying authority shall be held accountable for the propriety of the classifications attributed to him. Both unnecessary classification and over-classification shall be avoided. Classification shall be solely on the basis of national security considerations. In no case shall information be classified in order to conceal inefficiency or administrative error, to prevent embarrassment to a person or Department, or restrain competition or independent initiative, or to prevent for any other reason the release of information which does not require protection in the interest of national security. The following rules shall apply to classification of information under this order:

(A) *Documents in General.* Each classified document shall show on its face its classsification and whether it is subject to or exempt from the General Declassification Schedule. It shall also show the office of origin, the date of preparation and classification and, to the extent practicable, be so marked as to indicate which portions are classified, at what level, and which portions are not classified in order to facilitate excerpting and other use. Material containing references to classified materials, which references do not reveal classified information, shall not be classified.

(B) *Identification of Classifying Authority.* Unless the Department involved shall have provided some other method of identifying the individual at the highest level that authorized classification in each case, material classified under this order shall indicate on its face the identity of the highest authority authorizing the classification. Where the individual who signs or otherwise authenticates a document or item has also authorized the classification, no further annotation as to his identity is required.

(C) *Information or Material Furnished by a Foreign Government or International Organization.* Classified information or material furnished to the United States by a foreign government or international organization shall either retain its original classification or be assigned a United States classification. In either case, the classification shall assure a degree of protection equivalent to that required by the government or international organization which furnished the information or material.

(D) *Classification Responsibilities.* A holder of classified information or material shall observe and respect the classification assigned by the originator. If a holder believes that there is unnecessary classification, that the assigned classification is improper, or that the document is subject to declassification under this order, he shall so inform the originator who shall thereupon reexamine the classification.

Section 5. Declassification and Downgrading. Classified information and material, unless declassified earlier by the original classifying authority, shall be declassified and downgraded in accordance with the following rules:

(A) *General Declassification Schedule.*

(1) "*Top Secret.*" Information or material originally classified "Top Secret" shall become automatically downgraded to "Secret" at the end of the second full calendar year following the year in which it was originated, downgraded to "Confidential" at the end of the fourth full calendar year following the year in which it was originated, and declassified at the end of the tenth full calendar year following the year in which it was originated.

(2) "*Secret.*" Information and material originally classified "Secret" shall become automatically downgraded to "Confidential" at the end of the second full calendar year following the year in which it was originated, and declassified at the end of the eighth full calendar year following the year in which it was originated.

(3) "*Confidential.*" Information and material originally classified "Confidential" shall become automatically declassified at the end of the sixth full calendar year following the year in which it was originated.

(B) *Exemptions from General Declassification Schedule.* Certain classified information or material may warrant some degree of protection for a period exceeding that provided in the General Declassification Schedule. An official authorized to originally classify information or material "Top Secret" may exempt from the General Declassification Schedule any level of classified information or material originated by him or under his supervision if it falls within one of the categories described below. In each case such official shall specify in writing on the material the exemption category being claimed and, unless impossible, a date or event for automatic declassification. The use of the exemption authority shall be kept to the absolute minimum consistent with national security requirements and shall be restricted to the following categories:

(1) Classified information or material furnished by foreign governments or international organizations and held by the United States on the understanding that it be kept in confidence.

(2) Classified information or material specifically covered by statute, or pertaining to cryptography, or disclosing intelligence sources or methods.

(3) Classified information or material disclosing a system, plan, installation, project or specific foreign relations matter the continuing protection of which is essential to the national security.

(4) Classified information or material the disclosure of which would place a person in immediate jeopardy.

(C) *Mandatory Review of Exempted Material.* All classified information and material originated after the effective date of this order which is exempted under (B) above from the General Declassification Schedule shall be subject to a classification review by the originating Department at any time after the expiration of ten years from the date of origin provided:

(1) A Department or member of the public requests a review;

(2) The request describes the record with sufficient particularity to enable the Department to identify it; and

(3) The record can be obtained with only a reasonable amount of effort.

Information or material which no longer qualifies for exemption under (B) above shall be declassified. Information or material continuing to qualify under (B) shall be so marked and, unless impossible, a date for automatic declassification shall be set.

(D) *Applicability of the General Declassification Schedule to Previously Classified Material.* Information or material classified before the effective date of this order and which is assigned to Group 4 under Executive Order No. 10501, as amended by Executive Order No. 10964, shall be subject to the General Declassification Schedule. All other information or material classified before the effective date of this order, whether or not assigned to Groups 1, 2, or 3 of Executive Order No. 10501, as amended, shall be excluded from the General Declassification Schedule. However, at any time after the expiration of ten years from the date of origin it shall be subject to a mandatory classification review and disposition under the same conditions and criteria that apply to classified information and material created after the effective date of this order as set forth in (B) and (C) above.

(E) *Declassification of Classified Information or Material After Thirty Years.* All classified information or material which is thirty years old or more, whether originating before or after the effective date of this order, shall be declassified under the following conditions:

(1) All information and material classified after the effective date of this order shall, whether or not declassification has been requested, become automatically declassified at the end of thirty full calendar years after the date of its original classification except for such specifically identified information or material which the head of the originating Department personally determines in writing at that time to require continued protection because such continued protection is essential to the national security or disclosure would place a person in immediate jeopardy. In such case, the head of the Department shall also specify the period of continued classification.

(2) All information and material classified before the effective date of this order and more than thirty years old shall be systematically reviewed for declassification by the Archivist of the United States by the end of the thirtieth full calendar year following the year in which it was originated. In his review, the Archivist will separate and keep protected only such information or material as is specifically identified by the head of the Department in accordance with (E)(1) above. In such case, the head of the Department shall also specify the period of continued classification.

(F) *Departments Which Do Not Have Authority For Original Classification.* The provisions of this section relating to the declassification of national security information or material shall apply to Departments which, under the terms of this order, do not have current authority to originally classify information or material, but which formerly had such authority under previous Executive orders.

Section 6. Policy Directives on Access, Marking, Safekeeping, Accountability, Transmission, Disposition and Destruction of Classified Information and Material. The President acting through the National Security Council shall issue directives which shall be binding on all Departments to protect classified information from loss or compromise. Such directives shall conform to the following policies:

(A) No person shall be given access to classified information or material unless such person has been determined to be trustworthy and unless access to such information is necessary for the performance of his duties.

(B) All classified information and material shall be appropriately and conspicuously marked to put all persons on clear notice of its classified contents.

(C) Classified information and material shall be used, possessed, and stored only under conditions which will prevent access by unauthorized persons or dissemination to unauthorized persons.

(D) All classified information and material disseminated outside the executive branch under Executive Order No. 10865 or otherwise shall be properly protected.

(E) Appropriate accountability records for classified information shall be established and maintained and such information and material shall be protected adequately during all transmissions.

(F) Classified information and material no longer needed in current working files or for reference or record purposes shall be destroyed or disposed of in accordance with the records disposal provisions contained in Chapter 33 of Title 44 of the United States Code and other applicable statutes.

(G) Classified information or material shall be reviewed on a systematic basis for the purpose of accomplishing downgrading, declassification, transfer, retirement and destruction at the earliest practicable date.

Section 7. Implementation and Review Responsibilities. (A) The National Security Council shall monitor the implementation of this order. To assist the National Security Council, an Interagency Classification Review Committee shall be established, composed of representatives of the Department of State, Defense and Justice, the Atomic Energy Commission, the Central Intelligence Agency and the National Security Council Staff and a Chairman designated by the President. Representatives of other Departments in the executive branch may be invited to meet with the Committee on matters of particular interest to those Departments. This Committee shall meet regularly and on a continuing basis shall review and take action to ensure compliance with this order, and in particular:

(1) The Committee shall oversee Department actions to ensure compliance with the provisions of this order and implementing directives issued by the President through the National Security Council.

(2) The Committee shall, subject to procedures to be established by it, receive, consider and take action on suggestions and complaints from persons within or without the government with respect to the administration of this order, and in consultation with the affected Department or Departments assure that appropriate action is taken on such suggestions and complaints.

(3) Upon request of the Committee Chairman, any Department shall furnish to the Committee any particular information or material needed by the Committee in carrying out its functions.

(B) To promote the basic purposes of this order, the head of each Department originating or handling classified information or material shall:

(1) Prior to the effective date of this order submit to the Interagency Classification Review Committee for approval a copy of the regulations it proposes to adopt pursuant to this order.

(2) Designate a senior member of his staff who shall ensure effective compliance with and implementation of this order and shall also chair a Departmental committee which shall have authority to act on all suggestions and complaints with respect to the Department's administration of this order.

(3) Undertake an initial program to familiarize the employees of his Department with the provisions of this order. He shall also establish and maintain active training and orientation programs for employees concerned with classified information or material. Such programs shall include, as a minimum, the briefing of new employees and periodic reorientation during employment to impress upon each individual his responsibility for exercising vigilance and care in complying with the provisions of this order. Additionally, upon termination of employment or contemplated temporary separation for a sixty-day period or more, employees shall be debriefed and each reminded of the provisions of the Criminal Code and other applicable provisions of law relating to penalties for unauthorized disclosure.

(C) The Attorney General, upon request of the head of a Department, his duly designated representative, or the Chairman of the above described Committee, shall personally or through authorized representatives of the Department of Justice render an interpretation of this order with respect to any question arising in the course of its administration.

Section 8. Material Covered by the Atomic Energy Act. Nothing in this order shall supersede any requirements made by or under the Atomic Energy Act of August 30, 1954, as amended. "Restricted Data," and material designated as "Formerly Restricted Data," shall be handled, protected, classified, downgraded and declassified in conformity with the provisions of the Atomic Energy Act of 1954, as amended, and the regulations of the Atomic Energy Commission.

Section 9. Special Departmental Arrangements. The originating Department or other appropriate authority may impose, in conformity with the provisions of this order, special requirements with respect to access, distribution and protection of classified information and material, including those which presently relate to communications intelligence, intelligence sources and methods and cryptography.

Section 10. Exceptional Cases. In an exceptional case when a person or Department not authorized to classify information originates information which is believed to require classification, such person or Department shall protect that information in the manner prescribed by this order. Such persons or Department shall transmit the information forthwith, under appropriate safeguards, to the Department having primary interest in the subject matter with a request that a determination be made as to classification.

Section 11. Declassification of Presidential Papers. The Archivist of the United States shall have authority to review and declassify information and material which has been classified by a President, his White House Staff or special committee or commission appointed by him and which the Archivist has in his custody at any archival depository, including a Presidential Library. Such declassification shall only be undertaken in accord with: (i) the terms of the donor's deed of gift, (ii) consultations with the Departments having a primary subject-matter interest, and (iii) the provisions of Section 5.

Section 12. Historical Research and Access by Former Government Officials. The requirement in Section 6(A) that access to classified information or material be granted only as is necessary for the performance of one's duties shall not apply to persons outside the executive branch who are engaged in historical research projects or who have previously occupied policy-making positions to which they were appointed by the President; *Provided*, however, that in each case the head of the originating Department shall:

(i) determine that access is clearly consistent with the intrests of national security; and

(ii) take appropriate steps to assure that classified information or material is not published or otherwise compromised.

Access granted a person by reason of his having previously occupied a policy-making position shall be limited to those papers which the former official originated, reviewed, signed or received while in public office.

Section 13. Administrative and Judicial Action.

(A) Any officer or employee of the United States who unnecessarily classifies or over-classifies information or material shall be notified that his actions are in violation of the terms of this order or of a directive of the President issued through the National Security Council. Repeated abuse of the classification process shall be grounds for administrative reprimand. In any case where the Departmental committee or the Interagency Classification Review Committee finds that unnecessary classification or over-classification has occurred, it shall make a report to the head of the Department concerned in order that corrective steps may be taken.

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(B) The head of each Department is directed to take prompt and stringent administrative action against any officer or employee of the United States, at any level of employment, determined to have been responsible for any release or disclosure of national security information or material in a manner not authorized by or under this order or a directive of the President issued through the National Security Council. Where a violation of criminal statutes may be involved, Departments will refer any such case promptly to the Department of Justice.

Section 14. Revocation of Executive Order No. 10501. Executive Order No. 10501 of November 5, 1953, as amended by Executive Orders No. 10816 of May 8, 1959, No. 10901 of January 11, 1961, No. 10964 of September 20, 1961, No. 10985 of January 15, 1962, No. 11097 of March 6, 1963 and by Section 1(a) of No. 11382 of November 28, 1967, are superseded as of the effective date of this order.

Section 15. Effective Date. This order shall become effective on June 1, 1972.

RICHARD NIXON.

THE WHITE HOUSE, *March 8, 1972.*

QUESTION SUBMITTED BY SENATOR SYMINGTON

The CHAIRMAN. Senator Symington left with the staff a question he would like me to submit to you, which you can answer for the record. He had to leave. We will leave it with you and maybe you could supply the answer for the record. It is late and it looks like it is a rather involved question.

(The information referred to follows:)

QUESTIONS SUBMITTED TO WILLIAM B. MACOMBER, DEPUTY UNDER SECRETARY OF STATE FOR MANAGEMENT, BY SENATOR SYMINGTON, CONCERNING SECURITY AND CLASSIFICATION PROCEDURES AND ANSWERS

Question. Mr. Macomber, it is my understanding that you, as Deputy Under Secretary for Management, have direct responsibility for security classification procedures within the Department of State; and in that connection, I would take this opportunity to make public some of the data supplied by the State Department in answer to questions I submitted last November with respect to classification procedures, and then ask a couple of additional questions based on the material supplied.

Of the 13,341 State Department employees serving in the United States and abroad, 41% are authorized to certify the classifications "Confidential" and "Limited Official Use." Of that number, some 1,750 employees, or 13% of the total, can certify the classification "Secret," and 6% can certify "Top Secret."

Although only this specific number of "certifying officers" can officially determine the classification of a specific document, according to the information supplied by your Department, "any employee of the Department of State originating classified material has the initial responsibility for assigning the classification."

In other words, anyone who prepares a document can place a classification designation on it which he deems appropriate; and it has been my experience that once a document or paper is classified, the probability of it being declassified by a reviewing officer higher up the ladder is unlikely.

According to the information supplied, the Communications Center processes classified telegrams at a current annual rate of just over 218,000 messages, including incoming as well as outgoing. Copies depend on the nature of the message, but usually average 70 copies of each telegram for a total annual paper flow of over 17 million copies.

In addition, in FY 1971 the State Department and Foreign Service originated 65,725 airgrams approximately 25% of which were classified or administratively controlled.

Moreover, during FY 1971 the Department's Bureau of Intelligence and Research published about 1,000 documents—85% of which were classified or administratively controlled.

The State Department also receives and distributes documents from other agencies. During FY 1971 the Department handled about 670,000 separate docu-

ments from these agencies. Once again, numbers of copies vary, but approximately 4½ million such items were processed during FY 1971.

The information supplied by your Department summarizes this tremendous paper-handling process as follows:

"The total amount of classified documents, both State and other agency, processed by the Department in FY–71 totaled over 900,000 separate publications. Based on the average number of copies for each type of document, the Department distributed approximately 24,000,000 items during this period, most of them classified."

These facts and figures present a picture of a very complicated classification process within the Department of State. Not only is it complicated, but costly—according to the information supplied in answer to my questions, the total annual cost of administering the classification program in the State Department is approximately $18 million.

In view of the press reports yesterday that President Nixon has instituted a new system with respect to classification of government documents, I would ask the Department of State making plans to reduce this heavy flow of classified documents and as a result the cost of administering the classification program?

Answer. The Department of State participated in the formulation of the President's new Executive Order 11652 on classification and declassification of national security information and material. This order places heavy emphasis on limiting the authority of agencies and personnel to create and proliferate classified information and material. The Executive Order also establishes an automatic procedure to downgrade and declassify this type of information and material. There is every reason to believe that these positive controls will reduce the volume of classified material produced and, combined with the automatic "time-phase" features of downgrading and declassification, will reduce the associated cost of maintenance and handling.

The Department of State is currently engaged in drafting revisions to its regulations to implement the provisions of EO 11652.

The President has already indicated that intensive efforts are to be made throughout the Government to review and declassify information. The Department, on its own initiative, established on July 26, 1971, a Council for Classification Policy, on which I serve as Chairman. The purpose of the council is to give the best protection possible to the absolute minimum amount of material which qualifies under stringent definitions for security protection, and that for the shortest time necessary. Along these same lines, I further instructed the Office of Security, in its annual inventory of Top Secret holdings, to take action to significantly reduce the number of such documents. I can now report to you that the number of such holdings has been reduced by 23 percent.

STATUTORY BASES FOR CLASSIFICATION

The CHAIRMAN. As you know this question of classification and secrecy and the difficulty of declassification has caused a good deal of unhappiness in the past. One of the members of the committee in a recent meeting raised the question of the committee itself by committee action undertaking the function of declassifying some documents. We had not worked out any particular limits on it. This raised the question, in my mind at least, because I do not know, of the statutory basis for classification.

For example, the statutory basis for this Executive Order. I wonder if you could put into the record what you know about this. I am not clear about this. When they asked me about this question, I do not know what to say.

Do you have a question?

Mr. MACOMBER. We would be glad to submit that for the record.

The CHAIRMAN. I wish you would. This is a kind of mysterious issue.

(The information referred to follows:)

STATUTORY BASIS FOR CLASSIFICATION

(Supplied by Department of State)

Executive Order 10501 is entitled "Safeguarding Official Information in the Interests of the Defense of the United States." In summary, it establishes the classification categories of "confidential," "secret," and "top secret." It is designed to regulate the day-by-day handling of national security information within the various executive agencies and departments by prescribing uniform procedures governing the classification, transmssion, dissemination, custody and disposal of such information. In addition, there is provision for review of the entire classification program to insure adequate protection of the national security as well as to insure that no information is withheld thereunder which the people of the United States have a right to know.

LEGAL JUSTIFICATION FOR THE ORDER

The preamble of the order contains the standard recitation that it was issued "By virtue of the authority vested in me by the Constitution and statutes as President of the United States." Therefore, to be valid, Executive Order 10501 must be the product of a proper exercise of executive power derived either from executive authority conferred by the Constitution or from statutory authority, or both.

A. *Executive Authority Conferred by the Constitution.*—Pertinent sections of the Constitution appear to contain no express authority for the issuance of an order such as Executive Order 10501. However, the requisite implied authority would seem to lie within article II which says in section 1: "The executive power shall be vested in a President of the United States of America"; and in section 2: "The President shall be Commander in Chief of the Army and Navy of the United States"; and in section 3: ". . . he shall take care that the laws be faithfully executed."

When these provisions are considered in light of the existing Presidential authority to appoint and remove executive officers directly responsible to him, there is demonstrated the broad Presidential supervisory and regulatory authority over the internal operations of the executive branch. By issuing the proper Executive or administrative order he exercises this power of direction and supervision over his subordinates in the discharge of their duties. He thus "takes care" that the laws are being faithfully executed by those acting in his behalf; and in the instant case the pertinent laws would involve espionage, sabotage, and related statutes, should such Presidential authority not be predicated upon statutory authority or direction.

B. *Statutory Authority.*—While there is no specific statutory authority for such an order or Executive Order 10501, various statutes do afford a basis upon which to justify the issuance of the order.

A statute frequently cited as affording some implied authority for the issuance of Executive Order 10501 is found in 5 U.S.C.A. 22, which authorizes the heads of departments and agencies, among other things "to prescribe regulations, not inconsistent with law, for . . . the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it." The primary purpose is to afford a check or brake upon the general flow into the public domain of such agency information which might reflect upon internal management or proposed policy, and the publication of which could impede or prejudice efficient agency operation. The fact that such information may involve national security matters is not essential in giving proper effect to the statutory language.

The espionage laws have imposed upon the President a duty to make determinations respecting the dissemination of information having a relationship to the national defense. For example, 18 U.S.C. 795(a) provides that "Whenever, in the interests of national defense, the President defines certain vital military and naval installations or equipment as requiring protection against the general dissemination of information relative thereto, it shall be unlawful to make any photograph, sketch, picture. . . ., etc." Proceeding under this statute the President issued Executive Order 10104 which covers information classified by the agencies of the military establishments.

In 18 U.S.C. 798 there is specific reference to the unauthorized disclosure of "classified information" pertaining to the cryptographic and communication systems and facilities. Furthermore, the term "classified information" is defined as information which for reasons of national security has been specifically designated by the proper government agency for limited or restrictive dissemination or distribution.

The most significant legislation, which set into motion the current document classification program, was enacted in 1947, when the Congress passed the National Security Act in order to provide an adequate and comprehensive program designed to protect the future security of our country. To accomplish this avowed purpose the act provided for the creation of a National Security Council within the executive branch subject to Presidential direction. Its job is to consider and study security matters of common interest to the departments and agencies and to make appropriate recommendations to the President. Within the framework of this program, the Interdepartmental Committee on Internal Security (ICIS) came into being, and the activity of the committee was responsible for the issuance in 1951 of Executive Order 10290, which established the original document classification program. Thus it would appear that a document classification program is within the scope of the activities sought to be coordinated by the National Security Act of 1947, and that the issuance of an appropriate Executive order establishing such a program is consistent with the policy of the act.

Prior to issuance of Executive Order 10290, Congress had apparently recognized the existing Presidential authority to classify information within the executive branch when it passed the Internal Security Act of 1950. Contained therein were provisions defining two new criminal offenses involving classified information.

Section 4(b) of the act makes it a crime for any Federal officer or employee to give security information classified by the President, or by the head of any department, agency, or corporation with the approval of the President, to any foreign agent or member of a Communist organization, and section 4(c) makes it a crime for any foreign agent or member of a Communist organization to receive such classified security information from a Federal employee.

CONCLUSION

It is concluded, therefore, that in the absence of any law to the contrary, there is an adequate constitutional and statutory basis upon which to predicate the Presidential authority to issue Executive Order 10501.

FURTHER HEARING FOR ADDITIONAL QUESTIONS

Mr. Macomber, you have been here at most of these hearings and, as you well know, there has been a substantial amount of information which we have requested for the record, which probably will take some time. So it will be a little while before this record can be completed and the information analyzed.

We also expect to have one further hearing, I believe, on operations later this month. I think you are aware of that. So that it would be very likely necessary that after we have reviewed the record and the staff has had a chance to digest it, there will be some additional questions. There won't be any problems about our having any further hearing in that connection?

Mr. MACOMBER. None at all, Senator.

The CHAIRMAN. Because we have covered such a broad field now.

EXECUTIVE SESSION ON EMERGENCIES IN DIPLOMATIC SERVICE

There is another item in here I do not wish to inquire about in open session. I do not think it would be proper, but we would like to ask you about the emergencies in diplomatic service purely in executive session, sometime at your convenience.

Mr. MACOMBER. We would be prepared to do that, of course, Mr. Chairman.

USEFULNESS OF HEARINGS

The CHAIRMAN. I think these hearings have been very useful and I am very pleased we have initiated this procedure. I think in the past it has been too bad that there was not a more regular discussion by the Department of its operation, of the kind of thing we have been discussing here. We are usually confined to something like foreign aid or some program of that kind, which is really not the heart of the operations of the State Department.

Do you have any suggestions? We would be glad to welcome any suggestions you have.

Mr. MACOMBER. No, Mr. Chairman, except to say I also feel this has been a very useful discussion. I think the more that these two institutions can understand their respective jobs and how each is attempting to deal and operate in a common field, the more this is to our mutual benefit.

REQUEST CALLING FOR REORGANIZATION IN STATE DEPARTMENT

I do have one comment I might make, and that is to note that at the time we sent up our authorization request, it was accompanied by another request which called for some reorganization in the State Department. It asked the Congress to authorize a Deputy Secretary of State and make certain other senior personnel changes. These are all suggestions that grew out of the management reform task force effort and have been adopted by the President.

The CHAIRMAN. I think I introduced that bill by request yesterday.

Mr. MACOMBER. Yes, sir, you did. The committee may wish to consider whether or not this should be joined with the authorization legislation or to be handled separately. Sometime we would welcome the opportunity to discuss the reason for these changes.

The CHAIRMAN. I think that would be perfectly proper, but in the meantime, it might help us if you put in the record what you are prepared to say about it now. That would give us the basis for further developing the matter.

Mr. MACOMBER. That would be the best way.

The CHAIRMAN. That would help if you put in the record whatever you are prepared to say about it. We will come back with whatever observations or questions we may have.

(The bill and the information referred to follow:)

92D CONGRESS
2D SESSION

S. 3321

IN THE SENATE OF THE UNITED STATES

MARCH 9, 1972

Mr. FULBRIGHT (by request) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To strengthen and improve the organization of the Department of State, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of May 26, 1949, as amended (22 U.S.C. 2652), is hereby amended to read as follows: "There shall be in the Department of State in addition to the Secretary of State a Deputy Secretary of State, an Under Secretary of State for Political Affairs, an Under Secretary of State for Economic Affairs, an Under Secretary of State for Management, eleven Assistant Secretaries of State and an Administrator for Consular Affairs with rank equivalent to an Assistant Secretary of State.".

SEC. 2. (a) Upon the date of enactment of this Act the incumbent Under Secretary of State may assume the duties of the Deputy Secretary of State; an incumbent Deputy Under Secretary of State may assume the duties of the Under Secretary of State for Economic Affairs; and the incumbent Administrator, Bureau of Security and Consular Affairs may assume the duties of the Administrator for Consular Affairs and such officers shall not be required to be reappointed by reason of the enactment of this Act.

(b) The Office of the Deputy Under Secretary of State for Management shall continue during the tenure in office of the present incumbent, notwithstanding the provisions of section 1 of this Act which establish the Office of the Under Secretary of State for Management and the provisions of section 3 relating to the compensation of that office.

(c) Upon the date of enactment of this Act, any reference in any law to powers, duties or functions of the Bureau of Security and Consular Affairs or of any office of official therein shall be deemed to be a reference to powers, duties or functions of the Secretary of State.

SEC. 3. Chapter 53 of title 5, United States Code, is amended as follows:

(a) Section 5313(2) is amended to read "Deputy Secretary of State."

(b) Section 5314(9) is amended to read "Under Secretary of State for Political Affairs."

(c) Section 5314 is further amended by adding the following at the end thereof:

"(58) Under Secretary of State for Economic Affairs.

"(59) Under Secretary of State for Management."

(d) Section 5315(1) is amended to read "Administrator for Consular Affairs, Department of State."

(e) Section 5315 is further amended by adding the following at the end thereof:

"(95) Director General of the Foreign Service, Department of State.

"(96) Director, Bureau of International Scientific and Technological Affairs, Department of State.

"(97) Director, Bureau of Politico-Military Affairs, Department of State."

(f) Section 5316(109) is amended to read "Director of Foreign Service Institute, Department of State."

SEC. 4. The following statutes are hereby repealed:

(a) Section 104 (b), (c), (d), (e), and (f) of the Immigration and Nationality Act, as amended (8 U.S.C. 1104 (b), (c), (d), (e), (f));

(b) Section 2(b) of the Act of May 26, 1949, as amended (22 U.S.C. 2653 (b));

(c) Section 5315(10) of title 5 of the United States Code, except that the annual rate of basic pay for one (1) Deputy Under Secretary of State shall continue during the tenure in office of the present incumbent.

SEC. 5. (a) Section 8331 of Title 5, United States Code, is amended by adding a new subparagraph (J) to paragraph (1), as follows:

"(J) an alien (1) who was previously employed by the Government, (2) who is employed full time by a foreign government for the purpose of protecting or furthering the interests of the United States during an interruption of diplomatic or consular relations, and (3) for whose services reimbursement is made to the foreign government by the United States."

(b) Subsection (a) above shall become effective on the first day of the second month which begins after its enactment.

(c) The amendment made by subsection (a) above shall not apply in the cases of persons retired or otherwise separated prior to the effective date established under subsection (b), and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if this amendment had not been enacted.

SEC. 6. (a) Section 3 (b) (1) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (78 Stat. 767 as amended by 79 Stat. 789), is amended by striking out "$6,500" and inserting in lieu thereof "$10,000."

(b) Subsection (a) above is effective August 31, 1964,

for the purpose of reconsideration of settled claims as provided in this subsection. Notwithstanding section 4 of the Military Personnel and Civilian Employees' Claims Act of 1964, or any other provision of law, a claim heretofore settled in the amount of $6,500 solely by reason of the maximum limitation established by section 3 (b) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, may, upon written request of the claimant made within one year from the date of enactment of this Act, be reconsidered and settled under the amendment contained in subsection (a) of this section.

SEC. 7. (a) Sections 631 and 632 and the headings thereto of the Foreign Service Act of 1946, as amended (22 U.S.C. 1001 and 1002) are amended to read as follows:

"FOREIGN SERVICE OFFICERS WHO ARE CAREER AMBASSADORS

"SEC. 631. Any Foreign Service officer who is a career ambassador, other than one occupying a position as chief of mission or any other position to which he had been appointed by the President, by and with the advice and consent of the Senate, shall be retired from the Service at the end of the month in which he reaches age sixty-five and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall

determine it to be in the public interest, he may extend such an officer's service for a period not to exceed five years. Any such officer who hereafter completes a period of authorized service after he reaches age sixty-five shall be retired at the end of the month in which he completes such service.

"PARTICIPANTS IN THE FOREIGN SERVICE RETIREMENT AND DISABILTY SYSTEM WHO ARE NOT CAREER AMBASSADORS

"SEC. 632. Any participant in the Foreign Service Retirement and Disability System, other than one occupying a position as chief of mission or any other position to which he has been appointed by the President, by and with the advice and consent of the Senate, who is not a career ambassador shall be retired from the Service at the end of the month in which he reaches age sixty and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine it to be in the public interest, he may extend such participant's service for a period not to exceed five years. Any such officer who hereafter completes a period of authorized service after he reaches age sixty shall be retired at the end of the month in which he completes such service."

(b) The amendments made by subsection (a) shall be effective upon enactment, except that any Foreign Service officer who is or becomes a career minister and who is not occupying a position to which he has been appointed by the

President, by and with the advice and consent of the Senate, shall be mandatorily retired for age in accordance with the schedule below and receive benefits under section 821 of the Foreign Service Act of 1946, as amended, unless the Secretary determines it to be in the public interest to extend his service for a period not to exceed five years.

Retirement Schedule

(1) Any career minister who reaches age sixty-five during the month of enactment of this Act shall be retired at the end of such month.

(2) Other career ministers who are age sixty or over as of the date of enactment of this Act shall be retired at the end of the month which contains the midpoint between the last day of the month of enactment of this Act and the last day of the month during which the officer would reach age sixty-five, counting thirty days to the month.

(3) On the last day of the thirtieth month which ends after the date of enactment of this Act, all other career ministers who are age sixty or over shall be retired, and thereafter the amendment made by subsection (a) shall be applicable in all cases.

(4) Any career minister who completes a period of authorized service after he reaches mandatory retirement age as provided in the above schedule shall be retired at the end of the month in which he completes such service.

DEPUTY UNDER SECRETARY OF STATE,
FOR MANAGEMENT
Washington, March 23, 1972.

The Honorable J. W. FULBRIGHT,
Chairman, Foreign Relations Committee,
United States Senate.

Dear Mr. CHAIRMAN: You may recall that on Friday, March 10, as you were wrapping up hearings on the Department's fiscal 1973 authorization of appropriations, we briefly discussed a proposed Bill "To strengthen and improve the organization of the Department of State, and for other purposes" which you have introduced as S. 3321.

Because we believe the Bill will have the effect its title describes—to strengthen and improve the Department—we would be most pleased to see it considered with the 1973 authorization. From our standpoint, the incorporation of S. 3321 with authorizing legislation would be ideal.

To assist you and the Committee in your deliberations, I am enclosing the Department's comments on the Bill. If you would like additional information, please do not hesitate to let me know.

Sincerely,

WILLIAM B. MACOMBER, Jr.

Enclosure: Comments on S. 3321

COMMENTS ON S. 3321

(Department of State, Washington, D.C. 20520)

A Bill "To strengthen and improve the organization of the Department of State, and for other purposes"

The proposed bill would strengthen the Department in several ways.

First, it would up date and clarify the relative responsibilities and relationships of the principal officers of the Department of State. It would also provide certain changes and additions in the list of positions in the Department compensated in accordance with the Executive Salary Schedule.

Second, the bill would extend Civil Service retirement credit to certain alien employees abroad during breaks in diplomatic or consular relations.

Third, the bill would raise the maximum limitation on the payment of civilian agency employee claims to $10,000, the level authorized for military and civilian personnel of defense agencies.

Finally, the bill would lower the mandatory retirement age for certain career ministers.

EXECUTIVE LEVEL REORGANIZATION

The proposed changes in the executive structure of the Department are included in the first four sections of this bill. These would, for the most part, do nothing more than give formal recognition in legislation to changes in relationships which have already taken place in the development and execution for foreign affairs policies and programs.

The roles and responsibilities of the Secretary and the Under Secretary have changed markedly from what they were when the position of Under Secretary was established. The Secretary is concerned not only with directing the activities of the Department and its posts abroad, but is also deeply involved in the policies and activities of AID and ACDA, other US Government agencies, and of numerous international organizations through the US Representatives to those organizations. The position of Under Secretary has necessarily evolved into that of a full deputy to the Secretary in all matters; the relationship is that of an alter ego. As a result of our management reform efforts, the Under Secretary has also assumed additional responsibilities for managing the Department's planning, evaluation, and resource allocation programs in terms of meeting US foreign policy objectives. He also provides guidance and coordination in the "country team" context to other agencies on resource allocation overseas and the total US presence in foreign countries. We propose to change the title of the Under Secretary of State to Deputy Secretary of State and, thereby, to recognize the real nature of the responsibilities of this position. The salary would remain at Level II of the Executive Salary Schedule.

Similarly, the relative roles and responsibilities of the Under Secretary for Political Affairs and the Deputy Secretary for Economic Affairs have changed.

Since 1958, authority has existed to designate the third-ranking position in the Department as Under Secretary for Political Affairs or as Under Secretary for Economic Affairs. For several years it was the latter. In recent years it has been the former. The fact is that political and economic activities in foreign affairs are of equal importance, and the levels and titles of these two positions should not require that one be relegated to a lower level. Our proposal would eliminate the dual-title authorization and change the Deputy Under Secretary for Economic Affairs to Under Secretary for Economic Affairs. Both would be compensated at Level III of the Executive Salary Schedule, as one can be at present.

The position of Deputy Under Secretary for Management has responsibilities comparable in importance to those just discussed. In addition to his worldwide responsibilities for the day-to-day management of the Department's activities, the incumbent of this position provides guidance to the Inspector General, who has assumed broadened responsibilities for the inspection and audit of all Department of State programs and activities. The Deputy Under Secretary for Management is also responsible for the development, installation and operation of a Department-wide system of Policy Analysis and Resource Allocation (PARA). It is proposed that the position of Deputy Under Secretary for Management be changed to Under Secretary for Management at Level III of the Executive Salary Schedule.

Because the reorganization of the Department's leadership structure, as reflected in this bill, was developed under the management reform program which the incumbent Deputy Under Secretary for Management inaugurated in January 1970, this bill provides for his compensation to continue at the current level (Executive Level IV) during his incumbency.

Another reorganization proposal would establish the position of Administrator for Consular Affairs in lieu of the Administrator, Bureau of Security and Consular Affairs. The title change would recognize the establishment of the Office of Security as a separate organizational entity several years ago. The major purpose of the proposed change is to reflect the Administrator's responsibility for all consular functions, and the incumbent's relationship to the proposed Deputy Secretary and the Secretary. The proposed amendments would place statutory authority for consular functions in the Secretary, subject to his delegation, in order to clarify lines of authority and responsibility. The essential functions of the Administrator would remain unchanged. The present position is compensated at Level IV of the Executive Salary Schedule, and we propose no change.

The other changes proposed in the Department's key positions include the Director General of the Foreign Service, the Director, Bureau of International Scientific and Technological Affairs, the Director, Bureau of Politico-Military Affairs, and the Director, Foreign Service Institute. The first three of these have been designated by the Secretary to rank administratively with Assistant Secretaries because of the importance of their responsibilities. We propose their inclusion in Level IV of the Executive Salary Schedule. The Director of the Foreign Service Institute is proposed for Level V of the Executive Salary Schedule.

We believe that the complexity and level of the responsibilities of each of these four positions strongly warrants their inclusion in the Executive Levels proposed.

SWISS SERVICE AMENDMENT

Section 5 of the bill would correct a long standing inequity affecting our alien (local) employees abroad. Such employees are separated when the United States breaks diplomatic or consular relations with a host country. Arrangements normally are made at such times to have a third nation protect United States interests on a reimbursable basis. Frequently, the Swiss perform this service and so we refer to this amendment as the "Swiss service amendment". In such cases, the embassy of the protecting power usually hires key Foreign Service local employees to carry on the work involved in handling United States interests, such as protection of American citizens, and shipping and commercial matters; service of the local employees is reimbursed by us and they are usually rehired by the Foreign Service upon resumption of relations.

Service under such circumstances has not been creditable for Civil Service Retirement under which our alien employees are covered. This has been a problem since World War II during which several hundred Foreign Service local employees transferred to Swiss embassies and consulates in order to continue to

service United States interests in enemy and occupied countries. After the war, most returned to Foreign Service rolls and about 100 are still so employed. In addition, about 50 others are now performing such service in Cuba and the Near East helping to protect United States interests.

This amendment would authorize Civil Service retirement credit for such service for employees whose direct employment by the United States is interrupted in this unique way.

On the effective date of the amendment, the protecting power would start deducting retirement contributions from the salaries of our former alien employees who are working on United States matters just as if they were working directly for us. The State Department would make a matching contribution and both amounts would be deposited in the Civil Service Retirement Fund. Those employees who performed qualifying service with a protecting power prior to the effective date would be eligible to count this service at the time they retire. It would be treated the same way as any other prior service for which Civil Service retirement deductions have not been made. The employee could either elect to pay the amount owed or have his annual annuity reduced by 10 percent of the amount owed.

CLAIMS SETTLEMENT AUTHORITY

Section 6 of this bill concerns the authority of the State Department and other civilian agencies to settle claims of employees for service-connected losses of personal property. The civilian agencies now have authority to settle such claims up to $6,500. Military agencies have authority to settle such claims for both civilian and military personnel up to $10,000. Section 6 would extend the $10,000 limitation to the civilian agencies and provide uniform treatment throughout the Government.

The limitation of $6,500 is unrealistic and unduly restrictive in terms of the present cost of household goods and personal effects reasonably in an employee's possession. It imposes a great hardship on certain claimants who are victims of catastrophic losses which occur, for example, when an employee must abondon his possessions in an emergency evacuation.

Although most claims are settled for less than $1,000, often for only a few hundred dollars, a small percentage of claimants have not received full reimbursement for their losses since they exceeded the $6,500 limitation. Thirty-five claims have been determined to be payable in excess of $6,500 but for statutory monetary limitation. Section 6(b) would make this amendment effective August 31, 1964, so that employees that have suffered catastrophic types losses since that time can be reimbursed at least up to $10,000.

The $10,000 limitation now applicable to the military agencies was first approved by the Act of September 15, 1965, which made it retroactively effective to August 31, 1964. We accordingly think it fair that the $10,000 limitation be made applicable to civilian agencies effective on the same date—August 31, 1964.

The Department of State administers its present program jointly with the Agency for International Development (AID) and the United States Information Agency (USIA). The provisions of our joint regulations are similar in major respects to those of the military departments. We use the same depreciation allowance formula and the same maximum amounts allowable on categories of items such as photographic equipment, paintings, silverware and major appliances.

Our program is consistent with the military program in every important respect except for the maximum limitation. This amendment would permit us to be consistent in that respect also.

CAREER MINISTER RETIREMENT

Section 7 would lower the mandatory retirement age for certain career ministers from age 65 to 60. Such officers would continue to be exempt from mandatory retirement for age while serving in positions to which they have been appointed by the President, by and with the advice and consent of the Senate. This amendment would continue the Secretary's authority to extend the service of any officer for up to five years beyond mandatory retirement and thereby insure that the lowered retirement age would not work to the detriment of the public interest.

The majority of Foreign Service officers who attain the rank of career minister serve, during their remaining careers, in chief of mission positions or in other

positions to which they are appointed by the President. When it has been determined that an officer past age 60 who has been promoted to the rank of career minister will no longer serve as a chief of mission or fill a position requiring appointment by the President, he should be mandatorily retired as in the case of all other Foreign Service officers of classes 1 and below. This change will serve to accelerate retirement of career ministers who are not assigned or appointed to positions of the type for which career ministers are needed.

The amendment contains a provision for the gradual implementation of the change that takes into account both the career expectations of present officers and the needs of the Service for an early effective date. For officers aged 60 or over at the time of enactment, the effective date would be set mid-way between the date of enactment and the date the officers would reach age 65.

For example, the retirement date under the proposed legislation for an officer 64 years old at the time of enactment whose 65th birthday is ten months hence would be five months after the date of enactment. A 62 year old officer whose 65th birthday was to be 30 months hence would be subject to retirement 15 months after the date of enactment. An officer whose 60th birthday coincided with the date of enactment would be subject 30 months hence. This 30 month date would be the outer-limit, and the end of that month would be the effective date of the legislation for all career ministers reaching 60 after the date of enactment.

Section Analysis

Section 1 amends section 1 of the Act of May 26, 1949, as amended (22 USC 2652) by changing the title of "Under Secretary of State" to "Deputy Secretary of State", and the titles of "two Deputy Under Secretaries of State to "an Under Secretary of State for Economic Affairs and an Under Secretary of State for Management". It also provides for an "Administrator for Consular Affairs" with rank equivalent to an Assistant Secretary of State. This position will be in lieu of the position authorized by section 104(b) of the Immigration and Nationality Act which is being repealed.

Section 2(a) authorizes the incumbents of the offices of Under Secretary of State, Deputy Under Secretary of State for Economic Affairs, and Administrator, Bureau of Security and Consular Affairs, to assume the duties of their offices under the new titles upon enactment without reappointment.

Section 2(b) provides that the title and level of the Office of Under Secretary of State for Management will become effective after departure of the present incumbent. The present incumbent of the Office of Deputy Under Secretary for Management personally requested this provision be included, inasmuch as the reorganization of the Department's leadership structure contemplated under this bill was developed under the management reform program inaugurated by him in January 1970. Upon relinquishment of the Office of Deputy Under Secretary for Management by the present incumbent, this subsection will become obsolete and the successor appointee will be appointed in accordance with section 1.

Section 2(c) provides that any reference in any law to powers, duties or functions of the Bureau of Security and Consular Affairs or of any office or official therein shall be a reference to powers, duties or functions of the Secretary, This change is necessary because of the repeal by section 4(a) of this bill of sections 104(b) through (f) of the Immigration and Nationality Act, as amended, which authorized the establishment of the Bureau of Security and Consular Affairs and subordinate units.

Section 3 amends chapter 53 of title 5, United States Code, to include (1) the changes in titles authorized in section 1 of the draft bill, and (2) the changes and additions proposed in the Department's Executive Level positions.

Section 4(a) repeals certain sections of the Immigration and Nationality Act that are being superseded by provisions in this bill.

Section 4(b) deletes section 2(b) of the Act of May 26, 1949, as amended. This is the existing authority for an Under Secretary of State who may be designated as Under Secretary of State for Political Affairs or as Under Secretary of State for Economic Affairs. Said section 2(b) will be made unnecessary by the changes in section 1 of this bill.

Section 4(c) repeals section 5315(10) of title 5 of the United States Code, which provided for two Deputy Under Secretaries of State, but provides for the continuance of salary at the current Executive Salary Level rate during the tenure in office of one present incumbent as provided for in section 2(b).

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Section 5 would add a new subparagraph (J) to paragraph (1) of section 8331 of title 5, United States Code, to authorize Civil Service retirement credit for certain alien employees of the United States abroad who work for a protecting power (foreign government) on United States interests during an interruption of diplomatic or consular relations. Such credit would be authorized only when the United States reimburses the protecting power for the services performed by the aliens.

Section 6 would amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, to (1) increase the present authority for the settlement for personnel of agencies, other than the Department of Defense, the military departments and Coast Guard, for personal property losses incident to their service, from $6,500 to $10,000, and (2) permit reconsideration, retroactive to August 31, 1964, of any claim heretofore settled and paid in the amount of $6,500 solely because that was the maximum amount authorized under existing law.

Section 7 would amend sections 631 and 632 of the Foreign Service Act of 1946, as amended, to lower the mandatory retirement age for career ministers from age 65 to 60. Such officers would continue to be exempt from mandatory retirement for age while serving in positions to which they have been appointed by the President, by and with the advice and consent of the Senate. The amendment would continue the Secretary's authority to extend the service of any officer for up to five years beyond mandatory retirement. This would insure that the lowered retirement age would not work to the detriment of the public interest. The amendment would also provide for a gradual implementation of the change in order that affected officers would have time to make necessary adjustments. For officers age 60 or over at the time of enactment, the effective date would be set mid-way between the date of enactment and the date the officers would reach age 65.

For example, the retirement date under the proposed legislation for an officer 64 years old at the time of enactment whose 65th birthday is ten months hence would be five months after the date of enactment. A 62 year old officer whose 65th birthday was to be 30 months hence would be subject to retirement 15 months after the date of enactment. An officer whose 60th birthday coincided with the date of enactment would be subject 30 months hence. This 30-month date would be the outerlimit, and the end of that month would be the effective date of the legislation for all career ministers reaching 60 after the date of enactment. Thus after two and a half years following the date of enactment, all career ministers would be mandatorily retired on reaching the age of 60, unless they were serving at that time in positions to which they were appointed by the President with Senate confirmation, or unless they were extended by the Secretary.

JUSTIFICATION

It is the general purpose of sections 1 through 4 of the bill to clarify the relative responsibilities and relationships of the principal officers of the Department. In addition, it also provides for changes and additions in the Department's Executive Schedule offices and positions. A justification for each of the changes follows:

1. Deputy Secretary—Executive level II

First, it is proposed that the title of the second ranking office in the Department be changed from "Under Secretary of State" to "Deputy Secretary of State." The office will remain in Level II of the Executive Salary Schedule. The recent reorganization of the executive level of the Department reemphasizes the Under Secretary's role not only as the Secretary's alter ego but also as his principal deputy in all matters. The Secretary relies on the Deputy Secretary for insuring coordination of foreign affairs activities, including guidance to the Department and to other agencies on allocation of resources. The Deputy Secretary will be responsible for the management of the Department's planning, evaluation and resources allocation processes.

The Secretary's responsibilities have greatly expanded since the establishment of the position of Under Secretary. In addition to directing the activities of the Department proper, which are headed by the various Assistant Secretaries, he is also responsible for directing two semiautonomous agencies—A.I.D. and ACDA. The involvement of the Department in the activities of numerous international organizations and the coordination of U.S. policy through the U.S. Representatives to these organizations have further complicated the responsibilities of the Secretary and Under Secretary.

2. Under Secretary for Economic Affairs—Executive level III proposed

It is proposed to change the title of the "Deputy Under Secretary for Economic Affairs" to "Under Secretary for Economic Affairs." This proposal recognizes the increased importance and complexity of economic policies and programs in foreign affairs. The position will have responsibility for (a) coordination within the Department of foreign economic policies and programs; (b) representing the Department (in the Secretary's absence) on the Board of the International Development Institute and the International Development Corporation (if established), and (c) chairing the Operations Group of the Council on International Economic Policy. In addition, he will exercise the present responsibilities of the Deputy Under Secretary for Economic Affairs.

This office should rank with that of the Under Secretary for Political Affairs. For many years the third office in the Department was that of Under Secretary for Economic Affairs, held by C. Douglas Dillon before he was made Under Secretary Recognizing his competence in economic affairs, and that he would continue to give attention to this area, the legal authority governing the number three office in the Department was changed in 1958 to permit the President to designate it as either Under Secretary for Political Affairs or Under Secretary for Economic Affairs. The intention was that if the second ranking officer specialized in economic affairs, the third ranking officer would concentrate on political affairs and vice versa. Since the second ranking officer in the Department serves as a full deputy to the Secretary, the responsibilities of the ranking officers in the Department who are concerned with economic affairs and political affairs, respectively, should be recognized as being of equal rank and importance, and both should be compensated at level III of the Executive Salary Schedule. The Under Secretary for Political Affairs is now compensated at level III.

3. *Under Secretary for Management—Level III Proposed*

It is proposed to change the title of Deputy Under Secretary for Management to Under Secretary for Management.

The responsibilities of this office are of comparable importance to those at the Under Secretary level or proposed for elevation to that level. It carries world-wide responsibilities for the day-to-day management of the Department of State at home and abroad, including personnel, budget and fiscal, organization and management, and the Foreign Service Institute. In addition, the Under Secretary for Management will provide day-to-day guidance to the Inspector General relating to the latter's responsibility for conducting inspections and audits of all Department of State programs and activities.

The Under Secretary for Management will be responsible for the operation of the New Policy Analysis and Resource Allocation (PARA) System. This system which is to be applied Departmentwide is intended to link policy analysis and resource requirements and to provide a more systematic process for raising policy issues, with particular emphasis to the longer-range problems.

It is appropriate that action be taken at this time to elevate this Under Secretary to Level III of the Executive Salary Schedule. However, the legislation specifies that the change in level and title would not become effective until after the departure of the present Deputy Under Secretary for Management.

4. Administrator for Consular Affairs—Executive Level IV Proposed

This position is being established in lieu of that of Administrator, Bureau of Security and Consular Affairs, which ranks equally with that of an Assistant Secretary and is presently in Executive Level IV. The latter position was established pursuant to section 104(b) of Public Law 414 (82nd Cong.), as amended.

This proposed change is (1) to further increase the effectiveness of the Administrator's responsibility for passport, visa, and other consular functions by reporting directly to the Under Secretary (Deputy Secretary proposed) and the Secretary rather than to the Deputy Under Secretary for Management and (2) to recognize the transfer of the Office of Security as a separate organizational entity which was effected several years ago. More fundamentally, this change will place statutory authority for the subject functions in the Secretary, subject to his delegation. This action is needed to provide the Secretary with authority commensurate with his responsibility, and further to apply the principle, strongly recommended by the Commission on Organization of the Executive Branch of the Government, of clarifying the lines of responsibility and authority within the executive branch.

The basic and primary functions of this position involving passport, visa and other consular affairs remain unchanged. These are:

a. Administers and enforces the provisions of the Immigration and Nationality Act and all other immigration and nationality laws relating to the powers, duties, and functions of diplomatic and consular officers of the United States, except those powers, duties, and functions conferred by law directly upon consular officers.

b. Develops, establishes, revises, promulgates, and directs policies, rules, procedures, and regulations relating to the issuance of passport and related services, issuance of visas and related services, immigration, protection and welfare of American citizens and interests abroad, third-country representations of interests of foreign government, and the determinations of nationality of persons not in the United States.

c. Maintains direct and continuous liaison with the appropriate committees of Congress, the Commissioner of Immigration and Naturalization, the Directors of the Federal Bureau of Investigation and the Central Intelligence Agency, and with other internal security officers of the Government, as required.

d. Maintains liaison with and coordinates United States activities relating to the American Red Cross, the International Committee of the Red Cross, and the League of Red Cross Societies.

The position of Administrator for Consular Affairs retains its equivalent rank of an Assistant Secretary and is further strengthened by its direct reporting relationship to the Under Secretary and the Secretary. Its retention in Executive Level IV is fully justified.

5. Director General of the Foreign Service—Executive Level IV Proposed

The Director General of the Foreign Service is responsible for advising and assisting the Deputy Under Secretary for Management in the general administration of the Foreign Service, including the classification of chief of mission positions; the opening, closing or changing of status of Foreign Service posts and ambassadorial nominations, in addition to the development of policy recommendations and the direction of all personnel programs of the Department of State.

In recent years the Director General's position has been enlarged in scope and importance both in respect to the Department's personnel programs and in the field of State, A.I.D. and USIA personnel relationships. With regard to the latter, he must ensure compatible interagency personnel policies, standards, and criteria to the maximum extent feasible. Also, in addition to his responsibility for directing the Foreign Service personnel system, he is responsible for administering all other personnel systems governing employees of the Department.

In this capacity, he directs the execution of personnel policies and programs and provides containing instruction and guidance to operating officials, supervisors, and employees in the Department and abroad with respect to personnel policies, program, and operations. More specifically, his duties and responsibilities are:

a. Advising and assisting in formulation of policies and directing the implementation of these policies which govern the administration of the Foreign Service and other personnel systems of the Department.

b. Serving as Executive Director of the Board of the Foreign Service, whose principal role is the development of Foreign Service personnel policy recommendations to the Secretary of State and the director of USIA and ensuring the compatibility of personnel policies among the foreign affairs agencies.

c. Serving as Chairman of the Board of Examiners for the Foreign Service, which is responsible for the development and approval of examinations for appointment to the Foreign Service and for the approval of all candidates nominated for appointment as Foreign Service officers and Foreign Service Information officers.

d. Developing and maintaining world-wide programs for recruitment, selection (including lateral entry), career planning (including training), performance evaluation, promotion, position classification, tours of duty, health, conduct, discipline, suitability, retirement and selection-out.

e. Administering a joint recruitment and examination program for junior career officers for the Department and USIA.

f. Supervising the assignment of a centrally managed body of qualified personnel, assuring the effective use of such employees.

g. Assuring an adequate number of competent officers and other employees with skills responsive to the needs of the Department.

h. Monitoring the assignment programming of Foreign Service officers, Foreign Service Reserve officers and Foreign Service Staff officers for the development of a balance between organizational needs for skills and the rational development and utilization of manpower.

i. Administering the system of selection boards which are responsible for evaluating and recommending for promotion or selection-out, where applicable, of all Foreign Service personnel of the Department of State.

j. Recommending candidates for Chiefs of Mission positions. Developing a comprehensive briefing and guidance program for Chiefs of Mission with respect to their responsibilities and authority.

k. Administering the Foreign Service retirement system, which includes employees of State and USIA.

The Director General with rank equal to that of an Assistant Secretary reports to the Deputy Under Secretary for Management. There is strong justification to place this position at Executive Level IV.

6. Director, Bureau of International Scientific and Technological Affairs—Executive Level IV Proposed

Scientific and technological advances are having a marked and increasing impact on national and international affairs. In a recent statement the Secretary of State said: "We have made but a bare beginning in developing the institutions, standards of behavior and rules of the road which will be required for the international management and use of the revolutionary technologies in energy, resource development, communications, transportation, electronics and space—all of which are with us now." He pointed out that many of the scientific and technological problems are inherently global in character and solutions can be sought only on the basis of international cooperation. He emphasized that these tasks have already assumed major importance in world affairs and that we are constantly expanding our agreements for scientific cooperation with other countries. In other words, science and technology have become a distinct part of foreign relations and are increasingly interwoven in important international problems and their solution.

The Director, Bureau of International Scientific and Technological Affairs, formulates and implements policies and proposals for U.S. international science and technology programs; advises the Secretary of State in the consideration of scientific and technological factors in the formulation of foreign policy; represents the Department in international negotiations in the area of science and technology; provides policy guidance to the U.S. scientific community on activities affecting international relations; and directs the Scientific Attache program.

The Director develops and directs the carrying out of policy recommendations relative to peaceful uses of atomic energy, including participation in the International Atomic Energy Agency; international cooperation and relationships in space, atmospheric and environmental sciences; and U.S. international science policy and cooperative programs in science and technology.

The program area has already been given a very high priority in the Department and must be given an even higher priority in the future. To keep pace with its growing importance the program has been given Bureau status with its Director receiving administrative rank equivalent to that of an Assistant Secretary. Full recognition as a Bureau requires that the Director's position be raised from Executive Level V to the Executive Level IV.

7. Director, Bureau of Politico-Military Affairs—Executive Level IV Proposed

It is generally acknowledged that the broader foreign policy questions and military considerations must be closely intertwined. To assure that this is accomplished in the most efficient and effective manner, the Bureau of Politico-Military Affairs has been established to keep pace with the increasing need to continually strengthen and expand working relations between Defense and State. The former Office of Deputy Assistant Secretary for Politico-Military Affairs was abolished and its functions and staff transferred to the new Bureau. The Director of the new Bureau has been given administrative rank equivalent to that of an Assistant Secretary.

The significant role of this Bureau in reaching conclusions on major foreign policy and international security questions, involving consideration of both the geographic and functional approaches at once, justifies the placing of its top position at the same level of Assistant Secretaries, Executive Level IV.

8. *Director, Foreign Service Institute—Executive Level V Proposed*

On behalf of the Secretary of State the Director of the Foreign Service Institute, reporting to the Deputy Under Secretary for Management, is responsible for carrying out the purpose of Congress, as expressed in the Foreign Service Act of 1946, as amended—to create and maintain an educational program for the Foreign Service equivalent in quality and status to that of the war colleges.

In carrying out this mandate he is responsible for developing and administering an extensive in-service graduate level training program for officers and employees of the Department and other agencies of the Government, and members of their families, for whom training and instruction in the field of foreign relations is necessary.

Current programs range from orientation courses to the Senior Seminar in Foreign Policy and include: short intensive courses on the problems of modernizing societies beset by active insurgencies; area and country studies; short-term management and executive development courses; an intensive 5½ month course in economics; as well as courses in commercial and labor activities.

The Institute's Language School—a pioneer in the development of new teaching methods, techniques and materials—provides intensive language training in some 60 languages both here and at three overseas language training centers.

The Institute also provides a variety of specialized instruction through extension and correspondence courses. Institute sponsored courses are provided at colleges and universities, at armed forces colleges and at other Federal agencies.

During FY 1971, course enrollments totaled over 14,000 for approximately 12,500 individual students. Approximately 60% of the enrollments were for officers and employees of the Department and members of their families, while the remaining 40% were from officers and employees and family members from thirty-one other departments and agencies.

The Department strongly recommends that this position be placed in Executive Level V.

COST ESTIMATE

The total annual cost for full implementation of the Executive level changes proposed in this bill would be $10,000.

Section 5—Retirement Credit for Certain Alien Employees Abroad

Alien (local) employees of the Foreign Service working in a United States embassy or consular post are separated from Federal Service when diplomatic or consular relations with the country exercising jurisdiction in the area involved are broken and American employees of the embassy or consular post are evacuated. Arrangements normally are made at such times to have a third nation protect United States interests on a reimbursable basis. In such cases the third country usually hires key Foreign Service local employees who have been technically separated to carry on the work involved in handling United States interests, such as travel of American citizens, and shipping and commercial matters; the local employees are thereafter usually rehired by the Foreign Service upon resumption of relations.

Service under such circumstances has not been creditable for Civil Service Retirement purposes. This has been a problem since World War II during which several hundred Foreign Service local employees transferred to "American Interests Sections" of Swiss embassies and consulates in order to continue to serve United States interests in enemy and occupied countries. After the war, most returned to Foreign Service rolls and about 100 are still so employed. In addition, about 50 others are now performing such service in Cuba and the Near East helping to protect United States interests.

Employees with such service, and those around them, recognize that although they have served the United States for many years, they are denied retirement credit for those years when, perhaps at some personal risk, they continued to serve the United States despite the absence of their American employers. This unfortunate situation casts the United States in the role of an unfair and

ungrateful employer. This appearance is detrimental to the United States in its foreign relations.

This bill would authorize Civil Service retirement credit for such service for employees whose direct employment with the United States is interrupted in this unique way.

The situation of Foreign Service local employees temporarily employed by a protecting power is comparable to the situation of other Federal employees who resign from their Federal positions to accept appointments on the staffs of international organizations. In this latter situation, employees are permitted to continue their Civil Service retirement coverage under certain conditions by specific provisions of the Federal Employees International Organization Service Act (5 U.S.C. 3582). This privilege is provided to encourage qualified Federal employees to accept positions in international organizations since this is in the national interest. It is also clearly in the national interest that Foreign Service local employees transfer to a protecting power in order to continue to serve United States interests during wartime and other periods while diplomatic or consular relations are interrupted.

The amendment in section 5(a) defines qualifying service as full-time service performed by an alien (1) previously employed by the United States Government, (2) for a foreign government for the purpose of protecting or furthering United States interests during an interruption of diplomatic or consular relations and (3) for which reimbursement is made by the United States to the foreign government. The section amends 5 U.S.C. 8331 to include an alien performing such service as an "employee" for purposes of Civil Service retirement coverage.

If such an employee was a participant in the Civil Service retirement system on his most recent separation as a Foreign Service local employee, normally he would continue under the Civil Service retirement system during his employment by the protecting power. If such employee was not a participant in the Civil Service retirement system on his most recent separation as a Foreign Service local employee, he normally would not become a participant in Civil Service retirement system during employment by the protecting power. In the latter case, if upon subsequent employment by the United States Government he received a type of appointment entitling him to Civil Service retirement coverage, the prior service for the protecting power would count, under this amendment, as creditable service in the same manner as other prior non-deposit Federal service. In the case of an alien who continued under the Civil Service retirement system while employed by a protecting power, the amendment would require that both employee and employer retirement contributions continue to be deposited in the Civil Service retirement fund.

Section 5(b) makes the amendment effective on the first day of the second month which begins after its enactment. Section 5(c) provides that the amendment not apply to persons retired or separated on the effective date. The amendment would apply to all those employed by a protecting power who meet the criteria stated in this bill on the effective date and to all so employed thereafter. All service made creditable by this amendment performed by eligible persons prior to the effective date will be creditable.

COST ESTIMATE

It is estimated that the current annual payroll for eligible employees now working for protecting powers is $200,000. Under this bill, this payroll would be added to the payroll on which the Department makes a 7 percent retirement contribution to the Civil Service retirement fund. This would cost $14,000 annually. Also, enactment of this bill would result in an increase of approximately $300,000 in the unfunded liability of the Civil Service retirement system because of past service performed by employees for protecting powers.

Section 6—Increase in claims settlement authority to $10,000

HISTORY

Although the legislative history of payment of employee claims dates back to April 9, 1816, with enactment of the Military Personnel Claims Act, the Department of Defense, the military departments and the Coast Guard were the only agencies with authority to pay personnel claims prior to 1964. The Military

Personnel and Civilian Employees' Claims Act of 1964 extended the coverage of claims statutes to civilian officers and employees of all Government agencies, subject to the same $6,500 limitation previously in existence for the military agencies.

The 1965 amendment to the Military Personnel and Civilian Employees' Claims Act of 1964 (79 Stat. 789) increased the claims settlement authority of the Department of Defense, the military departments and the Coast Guard to $10,000 but retained the $6,500 limitation for the civilian agencies. The increase in authority for the military departments and not the civilian agencies was due to the short history of the exercise of the claims authority by the civilian agencies and it was felt that any question of increase of existing authority should be deferred until the various agencies had developed procedures and had a longer period of experience in administration of this claims settling authority (H. Rept. 382, S. Rept. 655, 89th Congress, 1st Session).

In the 91st Congress, the House of Representatives passed H.R. 13696 which increased the limitation applicable to the civilian agencies to $10,000 (without the retroactive section). This action was based on the fact that the civilian agencies had developed procedures and gained experience in administering the claims settlement authority. The Senate failed to act on the House passed bill prior to adjournment of the 91st Congress.

JUSTIFICATION

The justification submitted in support of the 1965 amendment is equally applicable to Government agencies other than the military departments and the Coast Guard. The monetary limitation of $6,500 is unrealistic and unduly restrictive in terms of the present cost of household goods and personal effects reasonably in an employee's possession. It imposes a great hardship on certain claimants who are victim of catastrophic losses, and leads to an increase of private relief legislation.

The civilian agencies have now had claims settlement authority for seven years. The Department of State administers the program jointly with the Agency for International Development (AID) and the United States Information Agency (USIA). The joint regulations promulgated by State, Aid and USIA are in accordance with the statements made in House Report No. 460 of the 88th Congress that the experience of the military departments would serve to establish guidelines and standards. The provisions of these regulations are similar to those of the military departments; the uniform depreciation allowance list developed by the military departments as a guide to adjudicating claims is used by the Department; and the policy set by the military departments as to maximum amounts allowable on categories of items such as photographic equipment, paintings, silverware and major appliances has also been adopted by the Department.

Although most claims are settled for less than $1,000, often for only a few hundred dollars, a small percentage of claimants have not received full reimbursement for their losses since they exceeded the $6,500 limitation. Thirty-five claims have been determined to be payable in excess of $6,500 but for the statutory monetary limitation.

Personnel of civilian agencies with claims prior to 1964 could obtain recovery by requesting the Congress to enact private relief legislation. The same has been true for claims after 1964 for amounts in excess of $6,500. The authority granted by Congress through enactment of the Military Personnel and Civilian Employees' Claims Act of 1964 relieved the Congress of much of the burden associated with processing private relief legislation. The proposed limitation of $10,000 with the retroactive provision, would provide further relief from processing private relief bills. It would also permit more expeditious settlement in those cases where a total loss occurs and the employee is faced with circumstances of extreme hardship. The increase in the ceiling to $10,000 was made retroactively effective to August 31, 1964 for the military agencies by the 1965 amendment. The proposed legislation would permit application of the $10,000 ceiling retroactively to this same date for the civilian agencies. The retroactive feature of the predecessor bill, H.R. 13696, was struck out by the House because "it would relate to a relatively small number of cases" (H. Rept. 91-534). Additional cases have now arisen. The Department believes as a matter of equity to the individuals involved that they should be reimbursed for losses of personal property up to $10,000 in the same manner as if they had been employed in a military department. Accordingly, the Department is again recommending that the Congress give favorable consideration to this retroactive provision.

Losses in excess of $6,500 have resulted primarily from catastrophes involving total loss or damage to employees' personal effects. Most have resulted from hostile activities or abandonment resulting from emergency evacuations. A few of these total losses occurred as a result of vessel wreckage or other severe transportation hazard. Most claims stem from losses incurred in overseas areas or in conjunction with the movement or storage of personal effects authorized at Government expense for service-directed assignments to, from or between overseas posts of duty.

The purpose of the Military Personnel and Civilian Employees' Claims Act of 1964 was to extend to other agencies of the Government the authroity possessed by the military departments to settle employee claims for loss or damage of personal property when the loss or damage is incident to their Government service. The need for such legislation was clearly justified and recognized. The proposed legislation seeks to restore uniformity of claims settlement authority among Government agencies.

COST ESTIMATE

Our experience has been similar to that of the military services in that only a small percentage of claims have exceeded the $6,500 limitation. Of the 35 claims settled or pending since 1964 for the Department of State, Agency for International Development and United States Information Agency payable in excess of $6,500 but for the existing limitation, the proposed legislation would involve a maximum expenditure of $60,000 if enacted; a cost which the Government would also incur if Congress were to consider favorably a request to enact private relief legislation for these same claimants.

The additional cost to the Government for the next five years cannot be accurately determined because of the unpredictability of incidents that cause substantial losses. Based on past experience, the cost is estimated to be $7,000 per year.

Section 7—Career Minister Retirement

The majority of Foreign Service officers who attain the rank of career minister serve, during their remaining careers, in chief of mission positions or in other positions to which they are appointed by the President. When it has been determined that an officer past age 60 who has been promoted to the rank of career minister will no longer serve as a chief of mission or fill a position requiring appointment by the President, he should be mandatorily retired as in the case of all other Foreign Service officers of classes 1 and below. This change will serve to accelerate retirement of career ministers who are not assigned or appointed to positions of the type for which career ministers are needed.

A number of officers are promoted to career minister in their middle forties and early fifties. Under present law they have from 15 to 20 years before mandatory retirement. As long as we are able to utilize career ministers in appropriate positions there are no problems. But when we are no longer able to do so, we have problems both for the officers concerned and for the Department. The proposed amendment will provide a better means of coordinating plans for the utilization of senior officers of the career Service with decisions of the Secretary and the President in filling the types of positions in which career ministers are normally expected to serve.

The amendment contains a provision for the gradual implementation of the change that takes into account both the career expectations of present officers and the needs of the Service for an early effective date. The implementation formula is explained in the sectional analysis of this section.

The proposed legislation also includes a technical change to permit all participants in the Foreign Service retirement system to work and earn retirement credit until the end of the month in which they reach mandatory retirement age or complete a period of authorized service past such age. Present wording in the law prevents most officers from earning retirement credit past the birthday on which they reach mandatory retirement age. Since Foreign Service annuities do not begin before the first of the month following retirement, the change would be both equitable to participants and simplify administration for the Department.

This amendment is similar to one contained in S. 3691, which was considered and passed by the Senate in June 1970.

COST ESTIMATE

This amendment would have only negligible impact on the cost of the Foreign Service retirement system.

OBSESSION WITH SECRECY

The CHAIRMAN. Referring back again, you said you would undertake to have your staff, your legal staff, or someone, give us a memorandum on the statutory basis not only for classification, but for declassification. I assumed that there is very likely a difference in the nature of the classification, as to declassification. I am familiar with this automatic declassification that takes place. It is the other kind of declassification in which I am interested.

I do not need a review of this automatic program and the sort of things with which the President is dealing. I certainly approve of the thrust of that and the direction in which it is moving. But I read Mr. Florence's article, with which I am sure you are familiar. He is the man who used to be responsible for classification at the Pentagon. Ever since I have wondered about this question of how we can get over this obsession with secrecy, which grew up prior to this Administration, under the impact of the war. I have the feeling it was not only the war, but the fact the war was so controversial. The government, under the impact of the criticism tended to draw within itself and they wanted to classify the whole government. They wanted to get such a low profile nobody could see them there for a while. I think this led to excesses. This is what I am talking about, trying to bring it back into a proper balance.

Mr. MACOMBER. There is no question, there has been excessive use of classification. There is no question about that. I must say that automatic declassification is a tremendously important key to avoiding this. The problem before was we did not have any effective declassification system until this order. Even though the document had run the time which was prescribed, it could not become declassified until someone personally struck off the classification stamp. Under the new order, the document has a date on it, and after that date, it is automatically a declassified document, so nobody has to take a personal action to affect this.

The CHAIRMAN. I understand that. I am not bothered by that.

DECLASSIFICATION OF DOCUMENTS

I have noticed that, certainly Presidents and Secretaries of Defense and I think Secretaries of State have undertaken, when it suited their convenience, to declassify anything they liked, if it served their purpose. What I am really raising is that I think the Congress and/or the committees ought to give serious consideration in the areas of developing similar practices, because I do not see any real justification that whenever it suits the Secretary of Defense in one of his press conferences, if he has been attacked or he wishes to defend something, he just declassifies something. You have seen it happen. You don't deny it happens; do you?

Mr. MACOMBER. Certainly, people at that level of our government have the authority to classify documents that originate in their departments.

The CHAIRMAN. Why shouldn't Congress have it?

Mr. MACOMBER. I think the basic rule we have in the executive branch is that you have authority to classify your own document. The Secretary of Defense does not have authority to declassify State De-

partment documents, and vice versa. I would hope the Congress would bear in mind the origin of the material. For instance, if congressionally originated, the Congress has the right to disclose it.

The CHAIRMAN. If classification originates in a law passed by Congress, don't you think it has something to say about whether it should be declassified or not? That is why I asked you about the basic origin of your classification authority.

Mr. MACOMBER. If I get into this discussion, I will be over my head very quickly. But there are elements of inherent rights of the Presidency that support his ability to act in this field. But I think maybe we should continue this after a memorandum is submitted, so we will have common legal principle to follow.

(The information referred to follows:)

LEGAL BASIS FOR THE CLASSIFICATION PROGRAM (SUBMITTED BY DEPARTMENT OF STATE)

Information on the legal basis for the security classification program was previously furnished to the Chairman of the Senate Foreign Relations Committee by letter of April 30, 1970, from the Legal Adviser of the Department of State, John R. Stevenson. (Copy Attached).

The legal statement then provided was taken from the 1957 Report of the Commission on Government Security, and it is set forth below for ease of reference.

AUTHORITY FOR THE PROGRAM

"As previously noted, the current legal authority for the document classification program is Executive Order 10501, which became effective December 15, 1953, and revoked Executive Order 10290.

APRIL 30, 1970.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I refer to your inquiry of March 26, 1970 as to the statutory authority for Executive Order 10501, concerning the safeguarding of official information. In 1957 a Commission on Government Security, appointed by President Eisenhower, the Speaker of the House of Representatives, and the President of the Senate, pursuant to Public Law 304, Eighty-Fourth Congress, considered the legal basis for Executive Order 10501. I am enclosing for your information the pertinent section of the Commission's report. You should be aware that one of the statutes cited in the report, 5 U.S.C. § 22 (now 5 U.S.C. § 301), was amended in 1958 and is no longer relevant.

In addition to the statutes cited by the Report, there are other statutory provisions that contemplate and assume a system of classification of information. For example, section 142 of the Atomic Energy Act of 1954 (42 U.S.C. § 2162 (c)) provides that, upon joint determination of the Atomic Energy Commission and the Department of Defense, data which relate primarily to the military utilization of atomic weapons and "can be adequately safeguarded as defense information" may be removed from the classification of "restricted data." This provision is obviously predicated on the system for protection provided for in Executive Order 10501. See also the exception, in the Freedom of Information Act, for classified information "specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy," 5 U.S.C. 552 (b)(1).

We have discussed this matter with Assistant Attorney General Rehnquist of the Department of Justice who informs us that the Justice Department agrees with the Commission's report regarding the legal basis for Executive Order 10501 subject to the points made above.

I hope this information is helpful to you.

Sincerely,

JOHN R. STEVENSON,
The Legal Adviser.

Enclosure: As stated.

REPORT OF THE COMMISSION ON GOVERNMENT SECURITY, PURSUANT TO PUBLIC LAW 304, 84TH CONGRESS, AS AMENDED

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BY THE PRESIDENT OF THE UNITED STATES

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Dr. Franklin D. Murphy, Lawrence, Kans., Chancellor, University of Kansas.
The Honorable Louis S. Rothschild, Kansas City, Mo., Under Secretary, Department of Commerce.
The Honorable James P. McGranery, Philadelphia, Pa., and Washington, D.C., Attorney at Law.

BY THE PRESIDENT OF THE SENATE

The Honorable Norris Cotton, Lebanon, N.H., United States Senator.
Dr. Susan B. Riley, Nashville, Tenn.
Professor of English, George Peabody College for Teachers.
The Honorable John Stennis, DeKalb, Miss., United States Senator.
The Honorable Loyd Wright, Los Angeles, Calif., Attorney at Law.

BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

The Honorable William M. McCulloch, Piqua, Ohio, Member, U.S. House of Representatives.
The Honorable James L. Noel, Jr., Houston, Tex., Attorney at Law.
The Honorable Francis E. Walter, Easton, Pa., Member, U.S. House of Representatives.
The Honorable Edwin L. Mechem, Sante Fe, N. Mex., Governor of New Mexico.

* * *

important developments, resulting from subcommittee hearings which have helped clear the avenues of access to Federal Government information:

1. The Department of Commerce, following a subcommittee hearing and letters from the subcommittees to the Department and the National Security Council, made public a previously classified section of the National Security Council document establishing the Office of Strategic Information and also made public the major portion of three previously classified reports on the progress of the OSI.

2. The Defense Department, following contacts with the subcommittee, announced at a subcommittee hearing the establishment of a panel to review declassification of historical documents and to set up firm guidelines to speed up declassification.

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[1] Appointed by the President on Feb. 1, 1957, to complete the unexpired term of office of Carter L. Burgess, former Assistant Secretary of the Department of Defense.

3. The Defense Department, following subcommittee hearings on the flow of scientific and technical information, announced a proposal to expedite the separation of basic information for distribution within the scientific community from scientific information available to military weapons.[8]

The subcommittee is continuing to conduct hearings during the 85th Congress on the information policies and practices of the Department of Defense.

LEGAL BASIS

Authority for the Program

As previously noted, the current legal authority for the document classification program is Executive Order 10501, which became effective December 15, 1953, and revoked Executive Order 10290.[9]

Executive Order 10501 is entitled "Safeguarding Official Information in the Interests of the Defense of the United States." In summary, it establishes the classification categories of "confidential," "secret," and "top secret." It is designed to regulate the day-by-day handling of national security information within the various executive agencies and departments by prescribing uniform procedures governing the classification, transmission, dissemination, custody, and disposal of such information. In addition, there is provision for review of the entire classification program to insure adequate protection of the national security as well as to insure that no information is withheld thereunder which the people of the United States have a right to know.

Legal Justification for the Order

The preamble of the order contains the standard recitation that it was issued, "By virtue of the authority vested in me by the Constitution and statutes as President of the United States." Therefore, to be valid, Executive Order 10501 must be the product of a proper exercise of executive power derived either from executive authority conferred by the Constitution or from statutory authority, or both.

A. Executive Authority Conferred by the Constitution.—Pertinent sections of the Constitution appear to contain no express authority for the issuance of an order such as Executive Order 10501. However, the requisite implied authority would seem to lie within article II which says in section 1: "The executive power shall be vested in a President of the United States of America"; and in section 2: "The President shall be Commander in Chief of the Army and Navy of the United States"; and in section 3: ". . . he shall take care that the laws be faithfully executed."

When these provisions are considered in light of the existing Presidential authority to appoint aid remove executive officers directly responsible to him, there is demonstrated the broad Presidential supervisory and regulatory authority over the internal operations of the executive branch. By issuing the proper Executive or administrative order he exercises this power of direction and supervision over his subordinates in the discharge of their duties. He thus "takes care" that the laws are being faithfully executed by those acting in his behalf; and in the instant case the pertinent laws would involve espionage, sabotage, and related statutes, should such Presidential authority not be predicated upon statutory authority or direction.

B. Statutory Authority.—While there is no specific statutory authority for such an order or Executive Order 10510, various statutes do afford a basis upon which to justify the issuance of the order.

A statute frequently cited as affording some implied authority for the issuance of Executive Order 10501 is found in 5 U.S.C.A. 22, which authorizes the heads of departments and agencies, among other things "to prescribe regulations, not inconsistent with law, for . . . the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it." The primary purpose is to afford a check or brake upon the general flow into the public domain of such agency information which might reflect upon internal management or proposed policy, and the publication of which could impede or prejudice efficient agency operation. The fact that such information may involve national security matters is not essential in giving proper effect to the statuory language.

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[8] Availability of Information From Federal Departments and Agencies, Twenty-fifth intermediate report (House Report 2947), Committee on Government Operations, House of Representatives, 84th Cong., 2d sess., July 27, 1935, pp. 80–81.

[9] 18 F.R. 7049.

The espionage laws have imposed upon the President a duty to make determinations respecting the dissemination of information having a relationship to the national defense. For example, 18 U.S.C. 795(a) provides that "Whenever, in the interests of national defense, the President defines certain vital military and naval installations or equipment as requiring protection against the general dissemination of information relative thereto, it shall be unlawful to make any photograph, sketch, pitcure, . . ., etc." Proceeding under this statute the President issued Executive Order 10104 which covers information classified by the agencies of the military establishments.[10]

In 18 U.S.C. 798 there is a specific reference to the unauthorized disclosure of "classified information" pertaining to the cryptographic and communication systems and facilities. Furthermore, the term "classified information" is defined as information which for reasons of national security has been specifically designated by the proper government agency for limited or restrictive dissemination or distribution.

The most significant legislation, which set into motion the current document classification program, was enacted in 1947, when the Congress passed the National Security Act [11] in order to provide an adequate and comprehensive program designed to protect the future security of our country. To accomplish this avowed purpose the act provided for the creation of a National Security Council within the executive branch subject to Presidential direction. Its job is to consider and study security matters of common interest to the departments and agencies and to make apropriate recommendations to the President. Within the framework of this program, the Interdepartmental Committee on Internal Security (ICIS) came into being, and the activity of this committee was responsible for the issuance in 1951 of Executive Order 10290, which established the original document classification program. Thus it would appear that a document classification program is within the scope of the activities sought to be coordinated by the National Security Act of 1947, and that the issuance of an appropriate Executive order establishing such a program is consistent with the policy of the act.

Prior to issuance of Executive Order 10290, Congress had apparently recognized the existing Presidential authority to classify information within the executive branch when it passed the Internal Security Act of 1950.[12] Contained therein were provisions defining two new criminal offenses involving classified information.

Section 4 (b) of the act makes it a crime for any Federal officer or employee to give security information classified by the President, or by the head of any department, agency, or corporation with the approval of the President, to any foreign agent or member of a Communist organization, and section 4(c) makes it a crime for any foreign agent or member of a Communist organization to receive such classified security information from a Federal employee.[13]

Conclusion

It is concluded, therefore, that in the absence of any law to the contrary, there is an adequate constitutional and statutory basis upon which to predicate the Presidenial authority to issue Executive Order 10501.

PRESENT PROGRAM

Introduction

This survey, by definition, is concerned with the activities of the Federal Government as they involve policies and practices with respect to classified documents. It is not intended to cover information control policies and practices that do not involve material subject to the classified information provisions of Executive Order 10501. Although departmental and agency policies with respect to information control may impinge upon the area of document classification, they are governed by different criteria. The criteria of document classification involve application of narrowly definied standards of national security and defense. The criteria of information control, on the other hand, involve the broadest kind of standards. They range from the traditional claim against privileged information to the arguments for the "housekeeping" privileges required in the normal operation of the executive branch.

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[10] 15 F.R. 597, Feb. 1, 1950.
[11] 61 Stat. 496, July 26, 1947.
[12] 64 Stat. 937–1031.
[13] 60 U.S.C.A 783.

Scope of the Program

Although all Federal agencies have rules of some type to control documents and information in their possession, relatively few have the authority to restrict general availability of their material on grounds of its relevance to either national defense or security. Under Executive Order 10501 the authority to apply the top secret, secret, or confidential classification to Federal documents was severely limited. The following 28 agencies were denied authority to apply original classification to material originated by them:

American Battle Monuments Commission
Arlington Memorial Amphitheater Commission
Commission on Fine Arts
Committee on Purchases of Blind-Made Products
Committee for Reciprocity Information
Commodity Exchange Commission
Export-Import Bank of Washington
Federal Deposit Insurance Corporation

Legal Basis

AUTHORITY FOR THE PROGRAM

As previously noted, the current legal authority for the document classification program is Executive Order 10501, which became effective December 15, 1953, and revoked Executive Order 10290.

"Executive Order 10501 is entitled 'Safeguarding Official Information in the Interest of the Defense of the United States.' In summary, it establishes the classification categories of 'confidential,' 'secret,' and 'top secret.' It is designed to regulate the day-by-day handling of national security information within the various executive agencies and departments by prescribing uniform procedures governing the classification, transmission, dissemination, custody and disposal of such information. In addition, there is provision for review of the entire classification program to insure adequate protection of the national security as well as to insure that no information is withheld thereunder which the people of the United States have a right to know.

"LEGAL JUSTIFICATION FOR THE ORDER

"The preamble of the order contains the standard recitation that it was issued, 'By virtue of the authority vested in me by the Constitution and statutes as President of the United States.' Therefore, to be valid, Executive Order 10501 must be the product of a proper exercise of executive power derived either from executive authority conferred by the Constitution or from statutory authority, or both.

"A. *Executive Authority Conferred by the Constitution.*—Pertinent sections of the Constitution appear to contain no express authority for the issuance of an order such as Executive Order 10501. However, the requisite implied authority would seem to lie within article II which says in section 1: 'The executive power shall be vested in a President of the United States of America'; and in section 2: 'The President shall be Commander in Chief of the Army and Navy of the United States'; and in section 3: '. . . he shall take care that the laws be faithfully executed.'"

"When these provisions are considered in light of the existing Presidential authority to appoint and remove executive officers directly responsible to him, there is demonstrated the broad Presidential supervisory and regulatory authority over the internal operations of the executive branch. By issuing the proper Executive or administrative order he exercises this power of direction and supervision over his subordinates in the discharge of their duties. He thus 'takes care' that the laws are being faithfully executed by those acting in his behalf; and in the instant case the pertinent laws would involve espionage, sabotage, and related statutes, should such Presidential authority not be predicated upon statutory authority or direction.

"*B. Statutory Authority.*—While there is no specific statutory authority for such an order or Executive Order 10501, various statutes do afford a basis upon which to justify the issuance of the order.

"A statute frequently cited as affording some implied authority for the issuance of Executive Order 10501 is found in 5 U.S.C.A. 22, which authorizes the heads of departments and agencies, among other things 'to prescribe regulations, not

inconsistent with law; for . . . the conduct of its officers and clerks, the distribution and performance of its business, and the custody, use, and preservation of the records, papers, and property appertaining to it.' The primary purpose is to afford a check or brake upon the general flow into the public domain of such agency information which might reflect uon internal management or proposed policy, and the publication of which could impede or prejudice efficient agency operation. The fact that such information may involve national security matters is not essential in giving proper effect to the statutory language.

"The espionage laws have imposed upon the President a duty to make determinations respecting the dissemination of information having a relationship to the national defense. For example, 18 U.S.C. 795(a) provides that 'Whenever, in the interests of national defense, the President defines certain vital military and naval installations or equipment as requiring protection against the general dissemination of information relative thereto, it shall be unlawful to make any photograph, sketch, picture. . . ., etc.' Proceeding under this statute the President issued Executive Order 10104 which covers information classified by the agencies of the military establishments.

"In 18 U.S.C. 798 there is specific reference to the unauthorized disclosure of 'classified information' pertaining to the cryptographic and communication systems and facilities. Furthermore, the term 'classified information' is defined as information which for reasons of national security has been specifically designated by the proper government agency for limited or restrictive dissemination or distribution.

"The most significant legislation, which set into motion the current document classification program, was enacted in 1947, when the Congress passed the National Security Act in order to provide an adequate and comprehensive program designed to protect the future security of our country. To accomplish this avowed purpose the act provided for the creation of a National Security Council within the executive branch subject to Presidential direction. Its job is to consider and study security matters of common interest to the departmens and agencies and to make appropriate recommendations to the President. Within the framework of this program, the Interdepartmental Committee on Internal Security (ICIS) came into being, and the activity of this committee was responsible for the issuance in 1951 of Executive Order 10290, which established the original document classification program. Thus it would appear that a document classification program is within the scope of the activities sought to be coordinated by the National Security Act of 1947, and that the issuance of an appropriate Executive order establishing such a program is consistent with the policy of the act.

"Prior to issuance of Executive Order 10290, Congress had apparently recognized the existing Presidential authority to classify information within the executive branch when it passed the Internal Security Act of 1950. Contained therein were provisions defining two new criminal offenses involving classified information.

"Section 4(b) of the act makes it a crime for any Federal officer or employee to give security information classified by the President, or by the head of any department, agency, or corporation with the approval of the President, to any foreign agent or member of a Communist organization, and section 4(c) makes it a crime for any foreign agent, or member of a Communist organization to receive such classified security information from a Federal employee.

"CONCLUSION

"It is concluded, therefore, that in the absence of any law to the contrary, there is an adequate constitutional and statutory basis upon which to predicate the Presidential authority to issue Executive Order 10501."

The CHAIRMAN. I think it is too late in the day to get into the merits of this. It is a complicated and pretty technical matter. In any case, you will supply that and we will put in the record a study made by the Library of Congress on the same subject, trying to develop a record we can understand and eventually we can have a better understanding of the whole matter, because it has been a bone of contention and if we get some reasonable understanding on it, it will go a long way toward improving everybody's position.

(The information referred to follows:)

92d Congress
1st Session

COMMITTEE PRINT

SECURITY CLASSIFICATION AS A PROBLEM IN THE CONGRESSIONAL ROLE IN FOREIGN POLICY

PREPARED FOR THE USE OF THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

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PREFACE

The controversy generated by the Pentagon Papers is the most recent manifestation of the subterfuge which has undermined popular confidence in our leaders and in our institutions. The U–2 incident of 1960, the Bay of Pigs affair, the Dominican intervention, and the Executive branch's misrepresentations concerning the war in Southeast Asia have all contributed to the skepticism of the general public towards the actions and policies of our Government. Excessive secrecy tends to perpetuate mistaken policies, and undermines the democratic principles upon which this country was founded. For this reason, I requested a study by the Congressional Research Service of the Library of Congress of the security classification procedure and the problem it presents to Congress in the performance of its Constitutional role. I believe that this memorandum will be of interest to both my colleagues and to the general public.

The memorandum was prepared by the Foreign Affairs Division of the Congressional Research Service, to which I express my appreciation.

J. W. Fulbright, *Chairman.*

SECURITY CLASSIFICATION AS A PROBLEM IN THE CONGRESSIONAL ROLE IN FOREIGN POLICY

I. Introduction

Security classification in this paper means the formal process in the Executive Branch of limiting access to or restricting distribution of information on the grounds of national security. The purpose of this paper is to survey the security classification process to determine how it affects the work of Congress on foreign policy and to explore proposals for changing the process. It does not deal with the related problems of loyalty or censorship, and it attempts to differentiate the problem of security classification from the problem of executive privilege, that is the withholding of either classified or unclassified information from Congress by the Executive Branch on the grounds that it is the right of the President to do so.[1]

First, as background for considering proposed changes, the study outlines the origin of the system, the legislation and regulations on which the Executive Branch bases its process of classification, and present practice. Second, it discusses the access of Congress to classified information and the relationship of classified information to the role of Congress in making foreign policy. Finally, it explores proposals for changing the present classification system.

Secrecy has been a factor in making foreign policy since the first days of the nation's history. At the Constitutional Convention the belief that negotiations with other countries might require secrecy was a major element in vesting the treaty power in the President and the Senate rather than in the entire Congress. Similarly, military secrecy in time of war is a long-standing practice. It is only in the period since the Second World War, however, that the problem of classified information has grown to its present dimensions. More formalized procedures, the greater United States involvement in world affairs, the concept of an all-pervading threat from the Soviet Union and other Communist countries, the growing size of the government, and vastly increasing amounts of information have all contributed to a tremendous increase in the amount of information treated as secret.

Classification practice today is based primarily on Executive Order 10501 and the manner in which it is interpreted and carried out throughout the Executive Branch. Although there is no legislation establishing a classification system, during the first ten post-war years Congress in effect cooperated or at least acquiesced in the Executive Branch's establishment of a classification system through such legislation as the Atomic Energy Act of 1946, the National Security Act of 1947, and the Internal Security Act of 1950. Since 1955, however,

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[1] For an examination of the question of executive privilege, see the Congressional Research Service report, "Executive Privilege, a Brief Survey," by Majorie Browne, July 23, 1971. C.R.S. Multilith 71-238F.

Congress has moved in the direction of preventing excessive withholding of information through amendment of some of the statutes which were being used to justify the classification system. Nevertheless the dimension of the problem of classified information does not appear to have been significantly reduced. There is general agreement that the quantity of classified information and documents remains huge and includes many documents which should no longer be classified. Moreover, many observers would say that much information never should have been classified in the first place.

There are two main ways in which the security classification of information affects the work of Congress in the foreign affairs field. First, it limits the kind and amount of information which Congress receives. Second, it circumscribes what Congress can do with information which it does receive, especially what it can pass on to the public to explain its position.

Members of Congress can frequently obtain classified information upon request. If requested information is withheld, it apparently is ultimately done so on the grounds of executive privilege rather than on the grounds that it is classified. However, the classification of information does prevent Congress from making it public. Moreover, it may prevent Congress from knowing that it exists and hence requesting it. Classification leaves the Executive Branch in fuller control over what information it will provide both Congress and the public since it bars journalists and scholars from access unless the Executive Branch wants to make it available (or "leak" it) to them.

Many of the proposals relating to the classification problem aim at cutting down the amount of classified information or making certain that information which would not jeopardize national security is not classified. Action in this direction might reduce the frequency of instances in which information in the foreign affairs field cannot be obtained even when it is unlikely that the information could in any way jeopardize the national security if it were made public. The problem for Congress in the foreign affairs field, however, goes beyond reducing unnecessary classification. It involves finding a way for Congress to make certain that it receives the full information necessary for exercising its war and foreign policy powers, including information which most people would agree should be kept secret from potential enemies. It may also involve finding a way for Congress to share in determining what information is classified and thus kept secret from the American people.

II. The Origin and Legal Basis of Present Classification Procedures

A. ORIGIN

Secrecy has been practiced to some degree in diplomatic and military affairs throughout the nation's history. For example, in 1790 Presented Washington presented to the Senate for its approval a secret article to be inserted in a treaty with the Creek Indians.[2] A formal and extensive classification system to keep certain information secret

[2] U.S. Congress, Senate, Executive Journal, vol. I, p. 55 (Aug. 4, 1790).

for purposes of national security did not develop until much later, however. According to one authority,

> Measures and practices for the protection of official information in general long served to protect any defense information that needed protection without there having to be any clear distinction between defense information and other official information requiring protection.[3]

The use of markings such as "Confidential," "Secret," or "Private" on communications from military and naval or other public officials "can be traced back almost continuously into the War of 1812." [4] However, the roots of the present classification system appear to be found around the time of the First World War. A General Order of the War Department dated February 16, 1912, established a system for the protection of information relating to submarine mine projects, land defense plans, maps and charts showing locations of defense elements and the character of the armament, and data on numbers of guns and the supply of ammunition, although it prescribed no particular markings.[5] A General Order from the General Headquarters of the American Expeditionary Force dated November 21, 1917, established the classifications of "Confidential," "Secret," and "For Official Circulation Only." [6]

The classification system established during the First World War was continued after the war was over. Army Regulation 330–5 of 1921 stated:

> A document will be marked "Secret" only when the information it contains is of great importance and when the safeguarding of that information from actual or potential enemies is of prime necessity.
>
> * * * * * * *
>
> A document will be marked "Confidential" when it is of less importance and of less secret a nature than one requiring the mark of "Secret" but which must, nevertheless, be guarded from hostile or indiscreet persons.
>
> * * * * * * *
>
> A document will be marked "For official use only" when it contains information which is not to be communicated to the public or to the press but which may be communicated to any persons known to be in the service of the United States whose duty it concerns, or to persons of undoubted loyalty and discretion who are cooperating with Government work.[7]

In a 1935 revision the term "Restricted" was introduced as a fourth category, to be used when a document contained information regarding research work on the design, test, production, or use of a unit of military equipment or a component thereof which was to be kept secret. It also emerged in 1935 that documents on projects with restricted status were to be marked:

> Restricted; Notice—This document contains information affecting the national defense of the United States within the meaning of the Espionage Act (U.S.C. 50:31, 32). The transmission of this document or the revelation of its contents in any manner to any unauthorized person is prohibited.[8]

Executive Order No. 8381 issued March 22, 1940, by President Roosevelt, entitled "Defining Certain Vital Military and Naval In-

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[3] National Archives, "Origin of Defense-Information Markings in the Army and Former War Department," prepared by Dallas Irvine, Dec. 23, 1964, p. 2.
[4] Ibid.
[5] Ibid., p. 7.
[6] Ibid., p. 16.
[7] Ibid., p. 21.
[8] Ibid., p. 24. Change No. 3 in Army Regulation No. 850, Feb. 12, 1935.

stallations and Equipment" gave recognition to the military classification system. In this order he cited as authority the act of January 12, 1938 (Sec. 795(a) of Title 18, part of the Espionage laws) which stated:

> Whenever, in the interests of national defense, the President defines certain vital military and naval installations or equipment as requiring protection against the general dissemination of information thereto, it shall be unlawful to make any photograph, sketch, picture, drawing, map, or graphical representation of such vital military and naval installation or equipment without first obtaining permission of the commanding officer. . . .[9]

In defining the installations or equipment requiring protection against the dissemination of information concerning them, the President named as one criterion the classification as "secret," "confidential," or "restricted" under the direction of either the Secretary of War or the Secretary of the Navy. In addition to military or naval installations, weapons, and equipment so classified or marked, included in the definition were:

> All official military or naval books, pamphlets, documents, reports, maps, charts, plans, designs, models, drawing, photographs, contracts, or specifications, which are now marked under the authority or at the direction of the Secretary of War or the Secretary of the Navy as "secret," "confidential," or "restricted," and all such articles or equipment which may hereafter be so marked with the approval or at the direction of the President.[10]

That Executive Order was superceded by Executive Order 10104 issued by President Truman February 1, 1950. In addition to the three designations previously mentioned, the new Executive Order referred for the first time to "top secret," although this designation had been in use some years earlier. In place of the Secretary of War and the Secretary of the Navy, Executive Order 10104 described the President, the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force as being authorized to classify or direct to be classified the designated information.[11]

On September 24, 1951, President Truman issued an executive order which officially extended the classification system to non-military agencies and to "security information—" Executive Order 10290, "Prescribing Regulations Establishing Minimum Standards for the Classification, Transmission, and Handling, by Departments and Agencies of the Executive Branch, of Official Information Which Requires Safeguarding in the Interest of the Security of the United States." It permitted any department or agency of the Executive Branch to classify and defined "classified security information" to mean "official information the safeguarding of which is necessary in the interest of national security, and which is classified for such purposes by appropriate classifying authority."[12]

President Eisenhower replaced Executive Order 10290 with Executive Order 10501, "Safeguarding Official Information," on November 9, 1953. It narrowed the number of agencies authorized to classify and redefined the usage of the various security labels. Executive Order 10501, which will be described later, and its revisions, form the basis for the present system of classification of information.

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[9] Sec. 795 of title 18, United States Code.
[10] Par. 3, Executive Order 8381, Federal Register, Mar. 26, 1940, vol. 5, p. 1147–1148.
[11] Executive Order No. 10104, "Basic Documents," op. cit. p. 14.
[12] Pt. II, par. 4, Executive Order 10290, Federal Register, Sept. 27, 1951, vol. 16, p. 9797.

B. LEGAL BASIS

Executive Order 10501 does not claim to be authorized by a specific statute. Unlike Executive Order 10104, "Definitions of Vital Military and Naval Installations and Equipment," which is linked to a specific provision of the statutes, Executive Order 10501 contains in its preface as to authority only the general statement, "Now, therefore, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, and deeming such action necessary in the best interests of the national security, it is hereby ordered as follows. . . ." The Executive Branch apparently relies primarily on implied constitutional powers of the President and statutes which it claims afford a basis on which to justify the issuance of Executive Order 10501, acknowledging that there is no specific statutory authority for it. In 1970 when the Senate Foreign Relations Committee inquired of the State Department about the legal basis for the President's issuance of Executive Order 10501, the Legal Adviser of the State Department, John R. Stevenson, with the approval of the Department of Justice, referred to the Report of the Commission on Government Security of 1957 for a statement of the legal basis.[13] That Commission cited provisions of the Constitution and stated: "While there is no specific statutory authority for such an order or Executive Order 10501, various statutes do afford a basis upon which to justify the issuance of the order.[14]

1. Constitutional Provisions

The three constitutional provisions cited by the Commission are in article II on the Executive Branch: Section 1, "The executive power shall be vested in a President of the United States of America"; section 2, "The President shall be Commander in Chief of the Army and Navy of the United States"; and section 3, ". . . he shall take care that the laws be faithfully executed." The Commission said:

> When these provisions are considered in light of the existing Presidential authority to appoint and remove executive officers directly responsible to him, there is demonstrated the broad Presidential supervisory and regulatory authority over the internal operations of the executive branch. By issuing the proper Executive or administrative order he exercises this power of direction and supervision over his subordinates in the discharge of their duties. He thus "takes care" that the laws are being faithfully executed by those acting in his behalf; and in the instant case the pertinent laws would involve espionage, sabotage, and related statutes, should such Presidential authority not be predicated upon statutory authority or direction.[15]

The 1957 Commission report did not explicitly spell out the right of Congress to make laws affecting the classification system. However, recognition of this right was implicit in the Commission's conclusion that "in the absence of any law to the contrary, there is an adequate constitutional and statutory basis upon which to predicate the Presidential authority to issue Executive Order 10501," [16] and in the citation of various statutes as affording a basis upon which to justify the issuance of the order.

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[13] U.S. Congress, Senate, Committee on Foreign Relations, Subcommittee on United States Security Agreements and Commitments Abroad, 91st Cong., hearings, vol. II, pp. 2008–2010, Washington, U.S. Government Printing Office, 1971. Hereinafter cited as "Security Agreements and Commitments Abroad Hearings."

[14] Ibid., p. 2010.

[15] Ibid.

[16] Ibid., p. 2011.

Among the provisions of Article I of the Constitution which might be cited as giving Congress powers to legislate in this field would be the following: Section 1, "All legislative powers herein granted shall be vested in a Congress of the United States . . .;" Section 8, "The Congress shall have power to . . . provide for the common defense and general welfare of the United States; . . . to make rules for the government and regulation of the land and naval forces; . . . and to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

2. "Housekeeping" Act Prior to 1958 Amendment

Prior to 1958, 5 U.S.C. 22, now 5 U.S.C. 301, sometimes called the "Housekeeping" act, was frequently cited as justifying a system for withholding information on the basis of a security classification system. This was the first and earliest statute cited by the 1957 commission as at that time providing a basis for Executive Order 10501. This statute had been enacted in 1789 with the purpose of providing the authority for government officials to set up offices and file documents.[17] As early as 1877 and numerous times since then Section 22 of Title 5 of the U.S. code had been cited as authority to refuse information sought from the government.[18] However, in 1958 the housekeeping statute was amended by P.L. 85–619 to specify that it did "not authorize withholding information from the public or limiting the availability of records to the public." The Department of State 1970 memorandum pointed out that since the 1958 amendment this statute was no longer relevant to the justification of classification. It is mentioned in this report as a matter of historical interest and to note the legislation of 1951 specifying that it should not be used as authority for withholding information.

3. Espionage Laws

Perhaps the statutes now most frequently cited for justification of the security classification of information are the espionage laws generally. The 1957 Commission cited the espionage laws second only to the housekeeping statute discussed above. It said:

> The espionage laws have imposed upon the President a study to make determinations respecting the dissemination of information having a relationship to the national defense. For example, 18 U.S.C. 795(a) provides that "Whenever in the interests of national defense, the President defines certain vital military and naval installations or equipment as requiring protection against the general dissemination of information relative thereto, it shall be unlawful to make any photograph, sketch, picture, . . . , etc." Proceeding under this statute the President issued Executive Order 10104 which covers information classified by the agencies of the military establishments.
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> In 18 U.S.C. 798 there is specific reference to the unauthorized disclosure of "classified information" pertaining to the cryptographic and communication systems and facilities. Furthermore, the term "classified information" is defined as information which for reasons of national security has been specifically designated by the proper government agency for limited or restrictive dissemination or distribution.[19]

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[17] U.S. Congress, House, Committee on Government Operations, "Amending Sec. 161 of the Revised Statutes With Respect to the Authority of Federal Officers and Agencies To Withhold Information and Limit the Availability of Records," H. Rept. 1461, 85th Cong., 2d sess., p. 1.

[18] Ibid.

[19] Hearing on U.S. security agreements and commitments abroad, op. cit., p. 2010.

It might be questioned whether the first provision mentioned above is a basis on which to issue an executive order covering classification by non-defense agencies since it relates to information pertaining to vital military and naval installations and has already been used to justify Executive Order 10104 on military information classified by the military departments.

The second provision mentioned, section 798, does refer to classified information, thus acknowledging its existence. However, it provides penalties only for actions relating to communications intelligence and cryptography, specifying four specific categories of classified information: (1) concerning the nature or preparation of codes; (2) concerning the apparatus used for cryptographic or communication intelligence purposes; (3) concerning the communication intelligence activities; or (4) obtained by the process of communication intelligence from the foreign government, with knowledge that it was so obtained. Moreover, this section which was added by Public Law 248 of October 31, 1951, makes it clear that its objective is to prevent the use of classified information relating to communication intelligence activities in a manner prejudicial to the safety of the United States, and not to prevent congressional access to it. Sec. 798(c) states:

> Nothing in this section shall prohibit the furnishing, upon lawful demand, of information to any regularly constituted committee of the Senate or House of Representatives of the United States of America, or joint committee thereof.[20]

Executive Order 10501 itself does not refer to Section 795 or 798 but instead refers to Sections 793 and 794 of Title 18 U.S.C., Section 5(j) of Executive Order 10501 states that when classified material affecting defense is furnished to persons outside the executive branch, the material should carry the statement, whenever practicable, "This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, U.S.C., Sections 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law." [21]

Section 793, "Gathering, transmitting or losing defense information," provides penalties of a fine or imprisonment for (a) going into defense installations or in other ways obtaining information "respecting the national defense with intent or reason to believe that the information is to be used to the injury of the United States, or to the advantage of any foreign nation"; (b) copying or obtaining sketches, documents, or anything connected with the national defense; (c) receiving or obtaining from any source any document, writing, or anything connected with the national defense, knowing that it has been obtained contrary to the provisions of that chapter of law; (d) willfully transmitting to a person not entitled to receive it a document, etc., which a person either lawfully or without authorization possesses and has reason to believe could be used to the injury of the United States or the advantage of a foreign nation; or (e) when entrusted with any document or information relating to the national defense "through gross negligence" permitting it to be removed from its proper place "or to be lost, stolen, abstracted, or destroyed" or failing to report such loss, theft, abstraction, or destruction.

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[20] Congressional Research Service, "Basic Documents on Security Classification of Information for National Security Purposes," Multilith 71-172 F, hereinafter cited as "Basic Documents," p. 15.

[21] "Basic Documents," op. cit. p. 4.

Section 794 provides for imprisonment or the death penalty for (a) communicating or transmitting a document or information relating to the national defense to any foreign government, faction, citizen, etc. "with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation"; or (b) "in time of war, with intent that the same shall be communicated to the enemy," collecting, publishing, communicating, or attempting to elicit any information with respect to the movement, numbers, or disposition of armed forces, ships, aircraft, or war materials or military operation plans or defenses "or any other information relating to the public defense, which might be useful to the enemy." In 1953 the provisions of this section in addition to coming into effect in time of war were extended to remain "in full force and effect until six months after the termination of the national emergency proclaimed by the President on December 16, 1950 or such earlier date as may be prescribed by concurrent resolution of the Congress." [22]

The espionage laws may make it sensible to have some kind of system for marking information which it would be a crime to transmit, but history does not indicate that the classification system developed directly from the Espionage Act of 1917 or that the Espionage Act was intended to authorize such a system. One student of the history of classification has observed:

> There is no indication at this time [in 1917] that difficulties could arise in enforcing the Espionage Act if official information relating to the national defense was not marked as such, insofar as it was intended to be protected from unauthorized dissemination. Violation of the first three subsections of Section I, Title I, of the act depended upon intent, but violation of the other two subsections depended in the one case on material relating to the national defense having been turned over to someone "not entitled to receive it" and in the other case on such material having been lost or compromised through "gross negligence." Since the expression "relating to the national defense" was nowhere defined, the possibility of the public being permitted to have any knowledge whatever relating to the national defense, even the fact that Congress has passed certain legislation relating thereto, depended on application of the expressions "not entitled to receive it" and "gross negligence."
>
> In any prosecution for violation of either of the last two subsections the burden of proving that one or the other key expressions had application in the case would rest on the prosecution, and proof would be difficult unless clear evidence could be adduced that authority had communicated its intention that the specific material involved should be protected or unless that material was of such a nature that common sense would indicate that it should be protected. For purposes of administering these two subsections of the Espionage Act the marking of defense information that is to be protected is almost essential, and its marking can also be of great assistance for purposes of administering the preceding three subsections.
>
> It would be logical to suppose that the markings of defense information began out of the legal necessities for administering the Espionage Act, but the indications are that such was not the case. The establishment of three grades of official information to be protected by markings was apparently something copied from the A.E.F., which had borrowed the use of such markings from the French and British.[23]

It apparently was not until 1935 that the link between classification the espionage act was made. Then, under the army regulation of February 12, 1935, it was specified that material on projects with restricted status would be marked: "Restricted: Notice—this docu-

[22] Title 18, United States Code, sec. 798, "Basic Documents," op. cit., p. 15.
[23] National Archives, op. cit., p. 20.

ment contains information affecting the national defense of the United States within the meaning of the Espionage Act (U.S.C. 50:31, 32). The transmission of this document or the revelation of its contents in any manner to any unauthorized person is prohibited." [24]

4. National Security Act

The 1957 Commission on Government Security report, referred to by the State Department in 1970 as citing the legal basis for a classification system, described the National Security Act of 1947 as the "most significant legislation, which set into motion the current document classification programs." It said:

> The most significant legislation, which set into motion the current document classification program, was enacted in 1947, when the Congress passed the National Security Act in order to provide an adequate and comprehensive program designed to protect the future security of our country. To accomplish this avowed purpose the act provided for the creation of a National Security Council within the executive branch subject to Presidential direction. Its job is to consider and to make appropriate recommendations to the President. Within the framework of this program, the Interdepartmental Committee on Internal Security (ICIS) came into being, and the activity of this committee was responsible for the issuance in 1951 of Executive Order 10290, which established the original document classification program. Thus it would appear that a document classification program is within the scope of the activities sought to be coordinated by the National Security Act of 1947, and that the issuance of an appropriate Executive order establishing such a program is consistent with the policy of the act.[25]

As has been pointed out, the roots of classification systems within individual Departments go back many years before the National Security Act was passed. However, efforts made after the National Security Act appear to have led to the new government-wide directive on classification which was embodied in Executive Order 10290. Coordination of classification systems in the military department had already been provided to some degree in Executive Order 8381 which was superseded by Executive Order 10104.

The Commission on Government Security contended that the National Security Act "set into motion" the current classification program; that the classification program "is within the scope of the activities sought to be coordinated by the National Security Act of 1947"; and that "the issuance of an appropriate Executive order establishing such a program is consistent with the policy of the act." [26] It did not contend that the National Security Act actually authorized the system.

One authorization which was made by the National Security Act is pertinent, however. After establishing the Central Intelligence Agency and giving it the purpose of coordinating intelligence activities, the National Security Act provided that the Director of Central Intelligence "shall be responsible for protecting intelligence sources and methods from unauthorized disclosure." [27] This would appear to provide adequate authorization for a system of protection of certain types of information, namely intelligence sources and methods.

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[24] Ibid., p. 24.
[25] "Security Agreements and Commitments Abroad Hearings," op. cit., p. 2011.
[26] Ibid.
[27] Sec. 102(d) (3), Public Law 253, 80th Cong., July 26, 1947, as amended. U.S. Senate, Committee on Armed Services, National Security Act of 1947 as amended through Dec. 31, 1969. Committee print, pp. 4–5.

5. Internal Security Act

The final statute cited by the 1957 Commission on Government Security under the assertion that "various statutes do afford a basis upon which to justify the issuance" of Executive Order 10501 was the Internal Security Act of 1950. The Commission report stated:

> Prior to issuance of Executive Order 10290, Congress had apparently recognized the existing Presidential authority to classify information within the executive branch when it passed the Internal Security Act of 1950. Contained therein were provisions defining two new criminal offenses involving classified information.
>
> Section 4(b) of the act makes it a crime for any Federal officer or employee to give security information classified by the President, or by the head of any department, agency, or corporation with the approval of the President, to any foreign agent or member of a Communist organization, and section 4(c) makes it a crime for any foreign agent or member of a Communist organization to receive such classified security information from a Federal employee.[28]

Section 4 (b) of the Internal Security Act states:

> It shall be unlawful for any officer or employee of the United States or of any department or agency thereof, or of any corporation the stock of which is owned in whole or in major part by the United States or any department or agency thereof, to communicate in any manner or by any means, to any other person whom such officer or employee knows or has reason to believe to be an agent or representative of any foreign government or an officer or member of any Communist organization as defined in paragraph (5) of section 782 of this title, any information of a kind which shall have been classified by the President (or by the head of any such department, agency, or corporation with the approval of the President) as affecting the security of the United States, knowing or having reason to know that such information has been so classified, unless such officer or employee shall have been specifically authorized by the President, or by the head of the department, agency, or corporation by which this officer or employee is employed, to make such disclosure of such information.[29]

This provision of the Internal Security Act appears to come the closest to sanctioning a system for the classification of information "as affecting the security of the United States" rather than the narrower concept of "relating to the national defense" or the still narrower categories of cryptographic or intelligence information.

There has been one case in which a foreign service officer convicted under this provision appealed his case and the Court of Appeals, in affirming the verdict, held that under the statute and Executive Order 10501 an Ambassador did have authority to classify foreign service dispatches and the dispatches as classified and certified by him were within the scope of the statute. Moreover, it held that in prosecution of the officer for communication of classified information to a foreign government, the government was not required to prove that the documents involved were properly classified "as affecting the security of the United States." [30]

6. Atomic Energy Act

In addition to the above statutes listed by the 1957 Commission on Government Security, the Department of State memorandum of 1970 said "there are other statutory provisions that contemplate and assume a system of classification of information." [31] The first example it cites is section 142 of the Atomic Energy Act of 1954 (42 U.S.C.

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[28] "Security Agreements and Commitments Abroad Hearings," op. cit., p. 2011.
[29] Title 50, United States Code, sec. 783.
[30] *Scarbeck* v. *U.S.*, 1962, 317 F. 2d 546.
[31] "Security Agreements and Commitments Abroad Hearings," op. cit., p. 2008.

section 2162 (c). The entire Chapter 12 of the act (Sections 141 through 146) is on the control of information with section 142 providing for the classification and declassification of "Restricted Data."

"Restricted Data" is defined in the Atomic Energy Act as follows:

> The term "Restricted Data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to section 142.[32]

Section 142 requires that the Atomic Energy Commission from time to time determine the data within the definition of Restricted Data which can be published "without undue risk to the common defense and security and shall thereupon cause such data to be declassified and removed from the category of Restricted Data."

With "Restricted Data" so defined as to include all data in certain categories, Sec. 142 proceeds on the assumption that all information in these categories is classified "Restricted Data" and is concerned mainly with setting up procedures for declassifying information in these categories. It requires that the Atomic Energy Commission from time to time determine the data within the definition of Restricted Data which can be published "without undue risk to the common defense and security and shall thereupon cause such data to be declassified and removed from the category of Restricted Data." It provides that in the case of Restricted Data which the Commission determines jointly with the Department of Defense to be related primarily to the military utilization of atomic weapons, the determination that it could be published is to be made jointly by the Commission and the Department of Defense, with the President deciding in case of disagreement.

In Section 142 the Atomic Energy Act also recognizes the existence of "defense information" and intelligence information. Giving recognition to "defense information" Section 142d states:

> The Commission shall remove from the Restricted Data category such data as the Commission and the Department of Defense jointly determine relates primarily to the military utilization of atomic weapons and which the Commission and Department of Defense jointly determine can be adequately safeguarded as defense information: *Provided, however,* That no such data so removed from the Restricted Data category shall be transmitted or otherwise made available to any nation or regional defense organization, while such data remains defense information, except pursuant to an agreement for cooperation entered into in accordance with subsection 144b.[33]

Giving recognition to intelligence information and its treatment as "defense information" Section 142e. states:

> The Commission shall remove from the Restricted Data category such information concerning the atomic energy programs of other nations as the Commission and the Director of Central Intelligence jointly determine to be necessary to carry out the provisions of section 102 (d) of the National Security Act of 1947, as amended, and can be adequately safeguarded as defense information.[34]

The act provided a channel for transmitting information to Congress rather than a barrier, however. It established the Joint Committee on Atomic Energy (sec. 201), required that the Atomic Energy

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[32] Atomic Energy Act of 1954, Public Law 83-703, as amended, sec. 11y.
[33] U.S. Congress, Joint Committee on Atomic Energy, "Atomic Energy Legislation Through 90th Cong., 2d sess.," December 1968, p. 42.
[34] Ibid., p. 43.

Commission and the Department of Defense keep the Joint Committee fully and currently informed on matters relating to development and application of atomic energy and required that any government agency furnish any information requested by the Joint Committee relating to its responsibilities in the field of atomic energy (sec. 202), and authorized the Joint Committee to "classify information originating within the committee in accordance with standards used generally by the executive branch for classifying Restricted Data or defense information" (sec. 206).

7. Freedom of Information Act Amending the Administrative Procedure Act

The second example the 1970 State Department memorandum cited of a statutory provision which assumed a system of classification was the Freedom of Information Act (P.L. 89–487, approved July 4, 1966). The Freedom of Information Act was an amendment and rewriting of Section 3 of the Administrative Procedure Act which had been passed in 1946. Both the original act and the amendment dealt with disclosure of information by Federal agencies, requiring them to publish procedures in the Federal Register and make available to the public final opinions, staff manuals and instructions, and statements of policy.

However the 1946 provisions had permitted material "required for good cause to be held confidential" to be withheld from disclosure. This had provided a loophole which Congress attempted to close in the 1966 Freedom of Information by exempting from its provision only nine specific kinds of information. The first of these exceptions was for matters "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy." Accordingly, although the Freedom of Information Act was designed to make more government information available, it did not apply to classified information and even could be used, as it was by the State Department in 1970, as an example of a statutory provision that contemplated and assumed a system of security classification.

While the exceptions in the Freedom of Information Act may permit withholding information from the public on grounds that it needs to be held secret in the interest of national defense and foreign policy, however, they clearly do not apply to Congress. Section 3 (f) states:

(f) Limitation of Exemptions—

Nothing in this section authorizes withholding of information or limiting the availability of records to the public except as specifically stated in this section, nor shall this section be authority to withhold information from Congress.[35]

8. Legislation on Foreign Relations

The Department of State 1970 memorandum did not mention any other legislation on foreign relations. However, there are some provisions in legislation directly relating to foreign affairs which also might be said to assume a system of classification or in effect sanction the withholding of some information of the grounds of national security.

One example is the Foreign Assistance Act of 1961, as amended. Section 634 (b) provides that in the annual report on operations required and in response to requests from Members of Congress or the

[35] Public Law 89–487, sec. 3(f), "Basic Documents," op. cit., p. 25.

public the President shall "make public all information concerning operations under this Act not deemed by him to be incompatible with the security of the United States." This section would provide a basis for the President not to make public certain information concerning aid operations. The next section, 634 (c), in effect limits any material which might be withheld from Congress to that which the President certifies he has forbidden furnishing with his reasons for doing so. Otherwise, funds are to be cut off if information or documents are not furnished by thirty-five days after a written request has been made by the General Accounting Office or by a congressional committee considering legislation or appropriations for the program.

Section 414 on munitions control of the Mutual Security Act of 1954, as amended, authorized the President to control the export and import of arms and technical data relating thereto. It also authorized him "to designate those articles which shall be considered as arms, ammunition, and implements of war, including technical data relating thereto, for the purposes of this section." [36]

The Arms Control and Disarmament Act of 1961, as amended, assumes a system of classification in Sec. 45 on Security Requirements. Section 45(a) provides for investigations of all employees and states:

> No person shall be permitted to enter on duty as such as officer, employee, consultant, or member of advisory committee or board, or pursuant to any such detail, and no contractor or subcontractor, or officer or employee thereof shall be permitted to have access to any classified information, until he shall have been investigated in accordance with this subsection. . . .

Section 45(b) states:

> . . . The Director may also grant access for information classified no higher than "confidential" to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of reports on less than full-field investigations: Provided, That such investigations shall each include a current national agency check.

Section 45(c) discusses access to Restricted Data under the Atomic Energy Commission.

Through legislation such as this Congress has on occasion given recognition to the classification system although it has made no overall attempt to regulate it. To this extent it has sanctioned keeping information secret in the interest of national defense or foreign policy. At the same time, however, on a number of occasions (particularly the "disclosure of classified information" legislation relating to cryptographic intelligence passed in 1951, and the Freedom of Information Act of 1966), Congress has made clear its intention that provisions to keep security information secret were not to constitute authority to withhold information from Congress.

III. The Classification System in Practice—Executive Order 10501 and Agency Regulations

A. HANDLING DEFENSE INFORMATION

Executive Order 10501 of December 15, 1953, "Safeguarding Official Information in the Interests of the Defense of the United States," is

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[36] U.S. Congress, Senate, Committee on Foreign Relations, House, Committee on Foreign Affairs, "Legislation on Foreign Relations With Explanatory Notes," 92d Cong., 1st sess. Joint committee print, April 1971, p. 137.

the basic regulation describing the security classification system to be applied to information bearing on the defense of the United States. The order, as subsequently amended, is quite comprehensive, setting forth guidelines for such matters as (1) material to be classified and categories of classification (i.e., Top Secret, Secret, etc.), (2) agencies and officials authorized to classify, (3) use of classification, (4) handling, marking, transmittal and destruction of classified material, (5) downgrading and declassifying, (6) access to classified material for historical research, and (7) enforcement procedures. For the purposes of this paper, it may be useful to look into some of these points more closely.

1. Categories of Classified Material

Section 1 of the order provides that "official information which requires protection in the interests of national defense shall be limited to three categories of classification, which in descending order of importance shall carry one of the following designations: Top Secret, Secret, or Confidential. No other designation shall be used to classify defense information, including military information, as requiring protection in the interests of national defense, except as expressly provided by statute."

These three categories are defined as follows:

(a) *Top Secret.*—Material the defense aspect of which is paramount and requiring the highest degree of protection. Unauthorized disclosure could result in "exceptionally grave damage to the Nation, such as leading to a definite break in diplomatic relations affecting the defense of the United States, an armed attack against the United States or its allies, a war, or the compromise of military or defense plans, or intelligence operations, or scientific or technological developments vital to the national defense."

(b) *Secret.*—"Material the unauthorized disclosure of which could result in serious damage to the Nation, such as jeopardizing the international relations of the United States, endangering the effectiveness of a program or policy of vital importance to the national defense, or compromising important military or defense plans, scientific or technological developments important to national defense or information revealing important intelligence operations."

(c) *Confidential.*—"Material the unauthorized disclosure of which could be prejudicial to the defense interests of the Nation."

2. Authority to Classify

The order specifies over thirty federal departments and agencies, such as State,[37] Defense, CIA, etc., "having primary responsibility for matters pertaining to national defense" in which the authority to classify may be delegated to such responsible officers or employees as the principal officer may designate. However, "such authority to classify shall be limited as severely as is consistent with the orderly and expeditious transaction of government business."

The order also names several other departments, such as Interior, Agriculture, and HEW, whose concern with national defense matters is "partial" rather than primary. In these cases, "the authority

[37] For an explanation of the relationship of defense information to diplomacy and foreign policy, see p. 18.

for original classification of information or material . . . shall be exercised only by the head of the department or agency . . ." Government agencies or units not specifically named do not have the authority to originate classified material. (Section 2)

3. Guidelines for Classification

Those authorized to classify material are responsible for adhering to the definitions of the three categories listed above. "Unnecessary classification and over-classification shall be scrupulously avoided", and the classification of documents is to be based upon their content, not their relationship to other papers or the fact that they contain references to highly classified material. (Section 3)

4. Declassification and Downgrading

Classified material is to be downgraded or declassified when it "no longer requires its present level of protection in the defense interest. . . . Heads of departments or agencies . . . shall designate persons to be responsible for continuing review of such classified information or material on a document-by-document, category, project, program or other systematic basis, for the purpose of declassifying or downgrading whenever national defense considerations permit, and for receiving requests for such review from all sources."

To give greater effect to this provision, a system was instituted in 1961 which provided for automatic downgrading of certain material at 3-year intervals. The system called for drafting officers to categorize classified material into groups as follows:

> *Group 1.*—Information or material originated by foreign governments or international organizations and over which the United States Government has no jurisdiction, information or material provided for by statutes such as the Atomic Energy Act . . . and information or material requiring special handling, such as intelligence and cryptography. This information and material is excluded from automatic downgrading and declassification.
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> *Group 2.*—Extremely sensitive information or material which the head of the agency or his designees exempt, on an individual basis, from automatic downgrading and declassification.
>
> *Group 3.*—Information or material which warrants some degree of classification for an indefinite period. Such information or material shall become automatically downgraded at 12-year intervals until the lowest classification is reached, but shall not become automatically declassified.
>
> *Group 4.*—Information or material which does not qualify for, or is not assigned to, one of the first three groups. Such information or material shall become automatically downgraded at three-year intervals until the lowest classification is reached, and shall be automatically declassified twelve years after date of issuance.

There is, of course, no bar to downgrading or declassifying more rapidly if circumstances warrant, but each such action requires the approval of the "appropriate classifying authority," i.e., the person or office originating the document in question. The downgrading of extracts from or paraphrases of documents also requires the consent of the appropriate classifying authority "unless the agency making such

extracts knows positively that they warrant a classification lower than that of the document from which extracted. . . ." (Section 4)

5. Limitations on Dissemination

There are two basic requirements for access to classified information: the need-to-know and personal security clearance or proof of trustworthiness. The Executive Order covers both points in a single sentence:

> Knowledge or possession of classified defense information shall be permitted only to persons whose official duties require such access in the interest of promoting national defense and only if they have been determined to be trustworthy.

Disrtibution of classified material is strictly controlled, and rigid accountability is required, especially for the more highly classified documents and materials. Furthermore, each agency retains ultimate control over the dissemination of all such material originating in that agency. Thus, the State Department cannot release to other agencies or to the Congress material originating in the Defense Department without prior approval by the latter. This is the so-called third agency rule, which has on occasion contributed to difficulties and delays in providing classified materials to the Congress.[38]

6. Special Classifications for Atomic Energy, Intelligence, and Cryptographic Information

The Atomic Energy Act of 1954, as amended, established special requirements for the classification of information on nuclear weapons and their technology. Such information is classified as "Restricted Data" and, more recently, "Former Restricted Data," and a special clearance, known as a "Q" clearance, is required by the AEC for access to this information. The intelligence community likewise has special designations and special clearances for certain intelligence information in order to protect sensitive sources, and communications people protect their codes by extra security precautions (COMSEC) as well.[39] These special categories are acknowledged by the terms of Executive Order 10501. (Section 13)

7. Historical Research

Access to classified material by persons outside the Executive Branch for historical research projects may be permitted if the researcher is trustworthy and if such access is "clearly consistent with the interests of national defense." But the material must not be published or otherwise compromised. (Section 15)

8. Review

The order requires various types of review to ensure (a) that information is not improperly withheld which the people have a right to know, (b) that proper safeguards are employed to protect classified information, and (c) that agencies are in full compliance with the order. The President is charged with designating "a member of his staff who shall receive, consider and take action upon suggestions or complaints from non-Governmental sources relating to the operation of this Order." (Sections 16–18)

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[38] See U.S. Congress. House, Committee on Government Operations, 25th report, "Executive Branch Practices in Withholding Information From Congressional Committees," 86th Cong., 2d sess. H. Rept. No. 2207. Washington, U.S. Government Printing Office, 1960, 14 pages.

[39] See 18 U.S.C. 798.

B. INFORMATION PROVIDED TO CONTRACTORS AND INDUSTRY

Executive Order 10501 applies also to information given to the Congress or to private persons outside the Executive Branch. In such cases, the material must be marked with the following notation in addition to its security classification:

> This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, U.S.C., Sections 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.[40]

Such release cannot be made to persons who have not been cleared and briefed following security investigation. In this connection, President Eisenhower in February 1960 issued Executive Order No. 10865, "Safeguarding Classified Information within Industry." The latter, in effect, defines Executive Order 10501 in terms of non-governmental application. It establishes the rules for granting security clearances to civilians and the means of redress should clearance be denied. Once granted clearance, a person outside of government is required to observe the same rules for the protection of classified material as his military or federally-employed counterpart, and this includes individuals working with classified material in both the "hardware" and "software" organizations. An example of the former would be information provided to such government contractors as General Electric and Westinghouse by the Atomic Energy Commission. An example of the latter would be government documents provided to RAND or other contractors doing research for the government. This has led to a substantial diffusion of classified information. One commentator on government classification practices noted that:

> The inexorable advance of the technology of war generates classified documents by the millions. One expert made the estimate four years ago that there were, in the defense industry, something like 100 million documents classified Top Secret and Secret.[41]

But it has also led to some difficulties. Scientific developments that emanate from classified data may sometimes be classified if bearing directly on important defense programs. Furthermore, certain developments that have their origins in unclassified data may be classified as well. For example, the AEC proposed that all new developments in the purification of weapons grade radioactive materials be subject to review by the Commission, no matter what the source of these developments. The Commission justified its actions on grounds of national security.

> Unless there are controls on the dissemination of classified information concerning atomic weapons, and concerning centrifuges and gaseous diffusion plants (which can be be used for the production of the special nuclear material used in weapons), the efficacy of all non-proliferation efforts is seriously weakened. In this light, the question of whether that data are developed for private commercial purposes or pursuant to a Government contract is irrelevant—it is the content of the data which necessitates the control.[42]

This type of control, however, is difficult to administer. Assuming that American scientists recognize and abide by these requirements,

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[40] Executive Order 10501, sec. 5(j).
[41] Ikenberry, Kenneth, "U.S. Security Classification a Maze of Rules," The Sunday Star, Washington, Nov. 9, 1969.
[42] 32 Federal Register 250, Dec. 28, 1967.

the writ of the United States does not extend to other scientifically modern nations. Indeed, three European nations (England, Germany and the Netherlands) have formed subsequently a consortium to develop gas centrifuge technology.[43]

The State Department usually does not deal in scientific hardware. Rather its classified materials are concerned with the conduct of foreign policy.[44] As in the case of other government agencies, studies performed by outside contractors are reviewed by relevant desk officers to ensure that all classified information is so marked. Often specificially "sanitized" versions are prepared for dissemination on an unclassified basis.

C. FOREIGN POLICY INFORMATION

The security regulations issued by the Department of State and other agencies concerned with foreign policy (e.g., USIA, AID, and ACDA) take a somewhat broader view of "defense information," extending it to include international operations and programs as well. According to the State Department regulations:

> The Attorney General of the United States on April 17, 1954, advised that defense classification may be interpreted, in proper instances, to include the safeguarding of information and material developed in the course of conduct of foreign relations of the United States whenever it appears that the effect of the unauthorized disclosure of such information or material upon international relations or upon policies being pursued through diplomatic channels could result in serious damage to the Nation. The Attorney General further noted that it is a fact that there exists an interrelation between the foreign relations of the United States and the national defense of the United States, which fact is recognized in section 1.[45]

State's regulation goes on to cite examples, including the following:

> Political and economic reports containing information the unauthorized disclosure of which may jeopardize the international relations of the United States or may otherwise affect the national defense.
>
> Information received in confidence from officials of a foreign government whenever it appears that the breach of such confidence might have serious consequences affecting the national defense or foreign relations.

The rules and regulations applicable to defense information acknowledge the need to establish a balance between the protection of such material and freedom of information. The State Department's security regulations in implementation of Executive Order 10501 include the following caveat:

> The requirement to safeguard information in the national defense interest and in order to protect sources of privileged information in no way implies an indiscriminate license to restrict information from the public. It is important that the citizens of the United States have the fullest possible access, consistent with security and integrity, to information concerning the policies and programs of their Government.[46]

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[43] Nuclear Industry, March 1970, pp. 59–61.

[44] The Arms Control and Disarmament Agency (ACDA) is probably a major exception to this rule in its concern over hardware as well as policy.

[45] U.S. Department of State, "Uniform State/AID/USIA Security Regulations, Physical and Procedural," Washington, U.S. Government Printing Office, 1969. Sec. 911.2.

[46] Ibid., sec. 901.4.

D. HANDLING OF CONTROLLED INFORMATION BY EXECUTIVE BRANCH

1. Limiting the Distribution of Sensitive Material

The application of a security classification to papers and materials is not the only method by which government agencies safeguard sensitive information. In some respects an even more effective method is to limit drastically the distribution of a particular document. Distribution of telegrams concerning the arrangements for Dr. Kissinger's secret visit to Communist China, for example, must have been so limited in number that only a few Cabinet members and a very select group of key officials in State, Defense, and CIA were privy to the operation.

A government-wide system governs the distribution of telegrams, staff studies, and memoranda of conversation. Those papers deemed to require something less than standard distribution are marked "LIMDIS" (limited distribution) by the drafting officers. In such cases, the number of copies circulated is reduced by perhaps 50 percent, with all interested bureau offices taking a proportionate reduction.

In the case of exceptionally sensitive matters, the material is designated "EXDIS" (exclusive distribution), and the number of copies is curtailed much more drastically to, say, one or two copies for each assistant secretary of State and Defense with a legitimate need to know. Key staff members are allowed to read but not retain EXDIS messages, which are kept in a central registry within each geographic or functional bureau.

But the Kissinger trip must have received even more restricted treatment. In this case the documents would have been "NODIS," meaning, of course, no distribution beyond the principal officer of an agency or department with a need to know.

Highly classified documents are generally given rather limited distribution, but many NODIS and EXDIS papers are classified no higher than SECRET. The most sensitive documents, including all TOP SECRET and all NODIS and EXDIS material, are serialized, i.e., each copy is numbered and must be registered and accounted for at all times, including when destroyed. The very process of serializing requires the originating office to exercise care and restraint in drawing up a list of those to whom the material is to be sent.

2. Administratively Controlled Information

Some types of information are controlled not in the interests of national defense but for administrative reasons. Thus, personnel records, medical reports, commercial and investigative data are considered privileged information and treated as confidential. In the Defense Department this type of material is marked "For Official Use Only"; in State it is designated "Limited Official Use." In either case, although the material is "non-classified," i.e., not related to the national defense, it is protected from indiscriminate disclosure.

E. COMPLIANCE WITH REGULATIONS

1. Overprotection

In actual practice, however, there is wide agreement that the great bulk of defense material is usually over protected—too highly classi-

fied for too long a time. Arthur Goldberg, former Ambassador to the U.N., recently had this to say to the House Foreign Operations and Government Information Subcommittee:

I do not mean to suggest to this Committee, which has given thoughtful consideration to this entire subject, that the government does not require secrecy in the conduct of its vital operations, that each day's collection of confidential messages with foreign governments should be broadcast on the six o'clock news, or that the engineering details of advanced weapons systems must be published in the Congressional Record.

* * * * * * *

Anyone who has ever served our government has struggled with the problem of classifying documents to protect national security and delicate diplomatic confidence. I would be less than candid if I did not say that our present classification system does not deal adequately with this problem despite the significant advances made under the leadership of the Committee and Congress in the Freedom of Information Act of 1966. I have read and prepared countless thousands of classified documents and participated in classifying some of them. In my experience, 75 percent of these never should have been classified in the first place; another 15 percent quickly outlived the need for secrecy; and only about ten percent genuinely required restricted access over any significant period of time.[47]

For obvious reasons there are strong incentives for staff officers to err on the side of over-classifying material on which they are working. There are no penalties for this, whereas the penalties for violating security regulations, even inadvertently, can be severe and costly in terms of career prospects, especially if one has a series of such offenses. Very often material is classified or over-classified largely through inadvertence or failure to apply critical judgment. Mr. William G. Florence, formerly with Headquarters, U.S. Air Force, had this to say to the House Subcommittee:

The majority of people with whom I worked in the past few years reflected the belief that information is born classified and that declassification would be permitted only if someone could show that the information would not be of interest to a foreign nation.[48]

Florence also referred to the practice of assigning a classification to material merely on the basis of association or reference to other classified material:

Some time ago, one of the service chiefs of staff wrote a note to the other chiefs of staff stating briefly that too many papers were being circulated with the TOP SECRET classification. He suggested that use of the classification should be reduced. Believe it or not, that note was marked TOP SECRET.[49]

According to a recent editorial in the Christian Science Monitor:

The classic case of overclassification of government documents was Queen Frederika's menu. The former Queen of Greece was given a moderately elaborate dinner at an American military base during her official tour of the United States. A thoughtful officer stamped "classified" on the menu to avoid the comments which some reporter might otherwise have made on what might have been called a non-democratic event.[50]

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[47] Testimony of Arthur J. Goldberg before the Foreign Operations and Government Information Subcommittee of the Committee on Government Operations of the House of Representatives, June 23, 1971. Mimeographed statement.

[48] Statement by Mr. William G. Florence, retired civilian security classification policy expert, submitted to the Foreign Operations and Government Information Subcommittee of the U.S. House of Representatives Committee on Government Operations, June 24, 1971. Mimeographed prepared statement.

[49] Ibid.

[50] "The Duty to Print," Christian Science Monitor, June 23, 1971.

The purpose of the classifying officer in this case was no doubt to avoid any potential embarrassment to the United States. There are many occasions when the avoidance of embarrassment is more closely related to activities potentially affecting the national defense. One example, related to military security demands that certain aspects of weapons capabilities be classified, follows:

> In Vietnam, the Army stamped "secret" on reports of field malfunctions of the controversial M16 rifle, which was jamming, until corrective action was taken. "The evaluation reports were bad," says a man who found out what was in them. He asserts the Army simply wanted to avoid embarrassment, since the enemy was obviously aware of the rifle's weaknesses.[51]

Individuals may overclassify a document hoping to augment the importance of the contents or to appear more important themselves:

> There's what a former federal official calls the "ego-building angle." Some bureaucrats, he says, classify a document confidential or secret to indicate that "the stuff is important—that it should be moved up the chain of command promptly instead of getting stuck in someone's 'in' basket." [52]

Such individuals evidently consider that the power to classify increases the personal prestige of the classifier. William Florence testified that:

> . . . numerous individuals in the Department of Defense, including myself, have attempted to the best of our ability to limit the use of defense classifications to the purpose for which they were intended. Various officials from the Secretary of Defense down have initiated measures designed to restrict the use of defense classifications. But hundreds of thousands of individuals at all echelons in the Department of Defense practice classification as a way of life.[53]

Once a paper has been classified SECRET or TOP SECRET, bureaucratic inertia adds to the already strong propensity to "protect" the national security by maintaining that classification for an unnecessarily long period of time. Richard J. Levine, writing in the Wall Street Journal of June 25, 1971, pointed out that:

> Today almost 26 years after the end of World War II, U.S. archives still hold some 100 million pages of classified war records. . . . The government process of declassification is haphazard and cumbersome. . . .

According to Levine, the "group" system for automatic downgrading and ultimate declassification of defense information has not provided an answer to the problem. The turnover in personnel within State and Defense, with career officers moving on to new assignments and with many top policy makers taking other jobs after a year or two, militates against the continuous review of classified material called for by the executive order. Even more important, perhaps, is the fact that the officers who originate classified material continue to be involved in substantive matters and feel that they have more important things to do than review their work of yesteryear to see if it can now be downgraded or declassified. Thus, quite apart from the legitimate concern of the Executive to protect sensitive information, there are a number of factors in the present situation which reinforce the tendency to maintain secrecy to a higher degree and for a longer period than is necessary.

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[51] The Wall Street Journal, June 25, 1971.
[52] Ibid.
[53] Florence, op. cit.

Among the World War II documents which are still classified TOP SECRET are those on Operation Keelhaul, which was the U.S.-U.K. name for the forcible repatriation to the Soviet Union of displaced Soviet citizens after the war. An American historian, Julius Epstein, has attempted without success to obtain access to these files in connection with his studies on forced repatriation of anti-communist prisoners of war and displaced persons during and after World War II. Epstein went to court under the Freedom of Information Act but lost the case on the grounds that the Act does not apply to documents classified "in the interest of the national defense or foreign policy." [54] Writing in the New York Times, Epstein related his continuing efforts to have the file declassified:

> . . . On October 22, 1970, the White House informed me that President Nixon has removed the main obstacle for declassification of the Keelhaul files. The letter states: "The U.S. Government has absolutely no objections (based on the contents of the files) to the declassification and release of the 'Operation Keelhaul' files. However, given the joint origin of the documents, British concurrence is necessary before they can be released and this concurrence has not been received. Thus, we have no alternative but to deny your request." . . .[55]

2. Leaks by Government Officials

On the other hand, Levine points out that government agencies permit "deliberate leaks which tend to make a mockery of the system," and he cites several instances of newsmen who were given classified information by high-level government officials as a matter of public policy. Both the New York Times and the Washington Post filed affidavits to this effect in their legal fight against the government's injunction which sought to stop publication of the Pentagon papers.

On behalf of the Times, Mr. Max Frankel, Washington bureau chief, argued that without the use of classified material:

> . . . There could be no adequate diplomatic, military, and political reporting of the kind our people take for granted, either abroad or in Washington, and there could be no mature system of communication between the government and the people. . . .
>
> Presidents make "secret" decisions only to reveal them for the purposes of frightening an adversary nation, wooing a friendly electorate, protecting their reputations. The military services conduct "secret" research in weaponry only to reveal it for the purpose of enhancing their budgets, appearing superior or inferior to a foreign army, gaining the vote of a Congressman or the favor of a contractor . . .
>
> In the field of foreign affairs, only rarely does our government give full public information to the press for the direct purpose of simply informing the people. For the most part, the press obtains significant information . . . only because it has managed to make itself a party to confidential materials, and of value in transmitting these materials . . . to other branches and offices of government as well as to the public at large. This is why the press has been wisely and correctly called the Fourth Branch of Government.[56]

Mr. Benjamin C. Bradlee, executive editor of the Washington Post, stressed in his affidavit that:

> The executive branch . . . normally, regularly, routinely, and purposefully makes classified information available to reporters and editors in Washington.

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[54] Harvard Law Review, Cambridge, Mass., February 1970, p. 928.
[55] Epstein, Julius, "A Case for Suppression," New York Times, Dec. 18, 1970, p. 39.
[56] Affidavit by Frankel, New York Times, June 19, 1971, p. 10.

This is [done] in private conversations . . . and in the infamous backgrounders normally, but not exclusively, originated by the government.[57]

It may be done to "test the climate of public opinion on certain options under deliberation by the government" or "to influence the reporter's story in a manner which the government official believes is in the best interest of his country, his particular branch of government, or his particular point of view."

Mr. Bradlee cited specific instances when he had been given highly classified information by President Kennedy (concerning his 1961 encounter with Khrushchev in Vienna) and by President Johnson (on the Vietnam war in 1968). He also pointed out that Congress sometimes follows the same practice:

. . . Legislators request and obtain classified information from the executive branch of the government for the purpose of helping them draft legislation. They do not always use it for that purpose. They often use it to defeat legislation they don't like, and they often try to enlist the assistance of the press in their private battle. . . .[58]

The agency most frequently charged with leaking classified information is the Department of Defense. This fact is scarcely surprising. It is due in part to the sheer size of the department and the vast amount of defense material in its custody. However, some contend that the incidence of deliberate leaks tends to be related to the national budget cycle as defense officials seek to persuade Congress and the public of the validity of their budget requests. But as was pointed out two years ago by George Ashworth of the Christian Science Monitor, perhaps the most important factor is the man at the top:

Government secrets come in many sizes and styles. At one end of the spectrum are piddling little secrets, and at the other there are secrets that are so secret their security classifications are secret. And there are critically important secrets as well as ones that are embarrassing and nothing more.

Secretary of Defense Melvin R. Laird loosed a few secrets of middling size upon the Senate and the public recently. Before the secret-telling was over, everybody knew a great deal more about the strategic strengths of the superpowers. Sen. Stuart Symington (D) of Missouri and Mr. Laird had reached the I-know-what-you-know-and-you-know-what-I-know-and-neither-of-us-can-tell stage of discussion.

Telling a great deal without telling all is nothing new for high defense officials. A secret told at the right time can shock, arouse, surprise, stymie opposition, and gain advantage. Or it can be a dreadful mistake. A secretary has to know the difference and act accordingly. If a secret is not properly handled, it can accomplish little through the telling and do incomparable damage.

The Defense Department has been much freer with its secrets in recent times. Former Secretary of Defense Robert S. McNamara was not averse to dropping secrets from time to time. The only time the secretary showed an avid interest in keeping a specific matter completely under wraps was the case of the so-called McNamara line.

During his 11-month tenure, former Secretary of Defense Clark M. Clifford generally stayed away from heavy public involvement in strategic armaments affairs, preferring to devote his energies to efforts to bring about successful negotiations on Vietnam. Many of the Pentagon's deepest secrets are in specifics on the strategic arsenals of both nations, and Mr. Clifford spent little effort on the learning of specifics. Thus, in a sense, he was somewhat limited as to juicy secrets to tell.

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[57] Affidavit submitted by Washington Post Executive Editor Benjamin C. Bradlee to the U.S. District Court for the District of Columbia, Boston Globe, June 27, 1971, p. 5.
[58] Ibid.

Mr. Clifford's periodic frankness on the subject of relations with South Vietnam were, however, often spellbinding. Although many secrets probably were not divulged as the former Secretary discussed the maneuvering prior to the complete halt, the material he gave forth was obviously of the sort normally considered privileged.

Now, with the stage set by Mr. Laird's revelations about specifics of missiles and megatonnage in the Soviet nuclear arsenal, chances are good that the administration will be releasing still more information of a nature that would have been considered classified at earlier times.[59]

Obviously, the Secretary of Defense is concerned with the state of the country's defenses and the overall threat as he sees it. Secretary Laird assumed office at a time when the U.S.S.R. was overtaking the United States in the number of land-based ICBM's deployed, and he foresaw the prospect of their catching up also in the number of anti-submarine-based launchers in a few years. Still another cause for concern was the megatonnage of the biggest Soviet ICBM, the SS–9, and the possibility that it would be fitted with multiple war heads capable of destroying the U.S. Minuteman missile in a preemptive strike. These and other considerations led him to make public a great deal more information about Soviet strategic programs, actual and anticipated, than had either of his predecessors.

As Ashworth remarked:

The approach to strategic secrecy has indeed changed since 1960, when the Republican managers of the Defense Department refused to declassify information to refute Democratic charges of a "missile gap." Upon taking office, Mr. McNamara himself refuted the charges made by his party.

The 1968 election failed to feature any real controversy over strategic strength. Consequently, it was marked by few Pentagon revelations. The same was not true in 1964 when Republican charges caused the Pentagon to declassify profuse quantities of classified information.

In 1967, when the Republican challenge was brewing, Deputy Secretary of Defense Paul H. Nitze was most forthright on warhead sizes, yields and effects, as well as reliability, when the nation's deterrent was questioned by Rep. Craig Hosmer (R) of California.

Slightly earlier, Mr. McNamara had mentioned multiple independently targetable warheads for the first time publicly. He used the medium of an article in Life magazine to discuss the antiballistic missile defense system and multiple warheads. Earlier, the warheads, MIRVs, had been so tightly classified that the Pentagon would say nothing about them. Mr. McNamara wanted, however, to reaffirm public faith in a U.S. lead.[60]

Still another current practice in declassification is that of former government officials who take advantage of personal files to write their memoirs, recollecting in tranquillity the bureaucratic battles of the past. Commenting on this, Herbert Feis, who spent many years in the State Department, has drawn ironic attention to the contrast between public policy (to keep official papers classified for years) and private practice:

If we turn to the problem of writing the history of the crucial events in our foreign relations during the short term of office of the gallant John F. Kennedy, the divergence of the restrictions becomes glaring. There is, I presume, no chance that the historian would at present be able to consult the pertinent official records or memos of conferences, instructions to our embassies, and correspondence with foreign statesmen during the period of his presidency. But what an admirable series of privileged and candid narratives and memoirs tell us what

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[59] Ashworth, George W., "U.S. Secrets and How They Grow," Christian Science Monitor, Mar. 31, 1969, p. 1.
[60] Ibid., p. 6.

may be found in them! What elaborately detailed accounts have appeared in the weekly magazines of how the rout of the Bay of Pigs came about, and what happened in the critical crisis when President Kennedy challenged the Russian installations of missiles in Cuba!

Can the historian be blamed if he is struck by the contrast between the scope and contents of the published official records and the disclosures of participants, confidants or a few favored journalists? This places a very high premium on securing and diffusing information before anyone else, and perhaps exclusively. Men may be drawn into office as the corridor to future careers as historians. Warm the Boswells inside the gates, envious the Boswells left outside![61]

The high incidence of leaks of classified information which appear to be approved by some one in authority serves to conceal the fact that many disclosures occur which are completely unauthorized. In most cases, it is difficult if not impossible to track down the guilty party because the information is so widely disseminated within the government and because reporters are unwilling to reveal the sources of their information.

IV. The Effect of the Classification System on the Congressional Role in Foreign Policy

A. THE CONGRESSIONAL NEED TO KNOW

Under the Constitution both the foreign policy powers and the war powers are shared by the President and the Congress. The need of Congress for information on defense and foreign relations stems primarily from specific responsibilities of Congress which are enumerated in the Constitution.

Aside from the general mandate provided by Article I, Section 1, "All legislative Powers herein granted shall be vested in a Congress of the United States. . . ." the Constitution provides that Congress shall have power "to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States. . . ." [Article I, Section 8(1)]; "to regulate commerce with foreign nations. . . ." [Article I, Section 8(3)]; "to define and punish . . . offenses against the law of nations." [Article I, Section 8(10)]; "to declare war . . ."; [Article I, Section 8(11)]; "to raise and support armies . . .;" [Article I, Section 8(12)]; "to provide and maintain a navy;" [Article I, Section 8(13)]; "to make rules for the government and regulation of the land and naval Forces;" [Article I, Section 8(14)]; and finally, "to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions;" [Article I, Section 8(15)]. Article II, Section 2(2) provides the Senate with two additional responsibilities, stating that the President "shall have the power, by and with the advice and consent of the Senate, to make treaties, provided two thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, . . ." In addition to these specific responsibilities, the Constitution provides further that the Congress "make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitu-

[61] Feis, Herbert, "The Shackled Historian," Foreign Affairs, January 1967, p. 337.

tion in the Government of the United States, or in any department or officer thereof." [Article I, Section 8(18)].

Congress frequently needs to have information which is classified in order to carry out specific defense and foreign policy responsibilities assigned to it under the Constitution. For example, Congress needs to know what are the threats to the country's security and what are current military capabilities if it is to provide for the common defense. It needs to know the precise facts involving hostilities when there is a question of whether or not war should be declared. The Senate needs to know the history of negotiations leading to a treaty before it decides whether to advise and consent to the ratification of that treaty.

Because of the congressional "need to know," the first aspect of the problem of classified information is how classification affects the efforts of Congress to get the information necessary to carry out its duties in the foreign and defense policy fields. A comprehensive survey of individual Members of Congress and committees would be necessary to ascertain the extent to which the information they need is classified and the extent to which they are given the classified information which they seek. Similarly, access to the classified information would be necessary to determine if the information given out to Congress was the whole truth. Nevertheless the outlines of the situation can be traced without such comprehensive information.

B. ACCESS OF CONGRESS TO CLASSIFIED INFORMATION

The classification of information does not automatically mean that Members of Congress cannot obtain it. Long ago, before the classification system, President Washington recognized the right of the Senate to access to secret information when he placed before that body information which he had kept from the public and the House of Representatives regarding the Jay Treaty in 1796. Similarly today the Executive Branch appears to recognize the general right of Congress to be given classified information. Although there is nothing in Executive Order 10501 covering the specific subject of providing classified information to Congress, a Department of Defense directive makes it clear that classified information may be given upon request from Members of Congress and that it may be discussed with congressional committees in closed hearings. The directive states as policy that information not available to the public because of classification "will be made available to Congress, in confidence" in accordance with certain procedures.[62]

The Department of State regulations contain a recognition that classified information may be sent to Members of Congress in the statement "Classified or administratively controlled material may be sent to other Federal departments or agencies or to officials and committees of Congress or to individuals therein only through established liaison or distribution channels."[63] Further policy on this matter apparently does not appear in writing. However, according to one State Department official, by virtue of their office Members of Congress may be shown classified information even though they have not

[62] Department of Defense Directive No. 5400.4, "Provision of Information to Congress," Feb. 20, 1971, sec. III.B.
[63] Uniform State/AID/USIA Regulations, sec. 943.1.

received formal clearances as individuals. Classified information is not ordinarily left with individual members, however, because of the lack of approved storage facilities for security material.[64]

Committees often do have facilities and procedures for safeguarding classified material, and the congressional committees chiefly concerned with foreign and defense policy have been given sizeable amounts of classified information, usually through closed hearings. When the transcripts of the closed hearings are printed, the classified information is deleted unless the executive branch officials concerned declassify the information so that it can be made public.

The fact that Congress obtains a considerable amount of classified information does not mean that members of committees get all the classified information they request or need, however. The Department of Defense directive acknowledges that there may be "rare" instances in which there is a question whether information should be shown to a Member of Congress even in confidence. The directive specifies that a final refusal of information to a Member should be made only with the approval of the Head of the Department of Defense component concerned or the Secretary of Defense, and that a final refusal to a committee of Congress should be made only with the concurrence of the Assistant to the Secretary of Defense for Legislative Affairs. The latter is responsible for insuring compliance with any procedural requirements imposed by the President:

> In the rare case where there is a question as to whether particular information may be furnished to a Member or Committee of Congress, even in confidence, it will normally be possible to satisfy the request through some alternate means acceptable to both the requester and the DOD. In the event that an alternate reply is not acceptable, no final refusal to furnish such information to a Member of Congress shall be made, except with the express approval of the Head of the DOD Component concerned, or of the Secretary of Defense. The Assistant to the Secretary of Defense (Legislative Affairs) shall be informed of any such submissions to the Head of a DOD Component or to the Secretary of Defense. A final refusal to a Committee of Congress may be made only with the concurrence of the Assistant to the Secretary of Defense (Legislative Affairs), who shall be responsible for insuring compliance with all procedural requirements imposed by the President or pursuant to his direction.[65]

Instances in which members were not given information they believed they needed date back for many years. A survey conducted by the Subcommittee on Constitutional Rights of the Committee on the Judiciary in 1960 revealed several cases relating to foreign policy in which specific information or documents being sought were not transmitted or were transmitted only in part to members of Congress.

One case in that record involved Senator Humphrey in his capacity as Chairman of the Disarmament Subcommittee in 1960. In 1959, President Eisenhower announced a full review of United States disarmament policy under the chairmanship of Charles Coolidge. In January of 1960, Coolidge reported to the Secretaries of State and Defense and Senator Humphrey subsequently attempted to obtain the report. In response to a letter from Senator Humphrey, the Secretary of State said that the report was in the form of a working paper and was not being made public. The State Department also answered

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[64] Based on telephone conversation with Alexander Schnee, legislative officer, Bureau of Congressional Relations, Department of State, July 30, 1971.

[65] Department of Defense Directive 5400.4, Sec. IV.B.2.

negatively the Senator's second letter requesting that the report be made available on an executive basis. When Senator Humphrey's third letter asked on what ground and under what authority the information was being denied, the Secretary replied that the study was prepared for internal use of the Secretaries of State and Defense only.

Similarly, Senator Fulbright, in response to the survey, related that he was denied a complete copy of the report of General Carroll on black market activities in Turkey in 1959. After exchanges of correspondence with the Secretary of Defense and the General Counsel of the Department of Defense, the Senator was given the first 15 pages but the General's conclusions were withheld and never made available.[66]

When a Member or committee of Congress attempts to obtain a specific piece of classified information and is denied it, the problem merges with that of executive privilege. For though the information sought may be classified, withholding it from Congress apparently is more likely to be based on executive privilege than on the basis of classification. To deny it on the grounds of classification might imply either that the member of Congress seeking it did not have a need to know or that he was not trustworthy. The Committee on Government Operations reported in 1960:

> It should be borne in mind that none of the information withheld from this subcommittee has been withheld on the basis that it is classified; that is, that its release to a congressional committee would imperil the national security. . . .
>
> On a number of occasions, when the question was raised, the subcommittee has been directly told by executive branch officials that particular documents withheld were not being withheld on grounds of security, but on the grounds of "executive privilege."[67]

Although the doctrine of executive privilege is controversial, as a practical matter when information is in the hands of the executive branch the President is physically or administratively able to withhold it if he deems it advisable.

More recently, the work of the Subcommittee on Security Agreements and Commitments Abroad demonstrates that committees can obtain a great deal of, but not all, classified information on a subject if they know it exists and are persistent.

The Subcommittee on Security Agreements and Commitments Abroad stated in its final report of December 21, 1979:

> The record of the Subcommittee is replete with a variety of instances in which we failed to obtain information without which the Congress cannot deal seriously, and as an equal, with the Executive Branch on matters of foreign policy.
>
> One of the more important of these was an understanding of the relationship which exists between the United States and the Royal Government in Laos. . . .
>
> When our initial Congressional effort was made to get the truth about Laos, we were either blocked, or the responses were misleading. . . .

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[66] U.S. Congress, Senate, Committee on the Judiciary, Subcommittee on Constitutional Rights, "Withholding of Information From the Congress," 86th Cong., 2d sess., Washington, Government Printing Office, 1961, pp. 18–19.

[67] U.S. Congress, House, Committee on Government Operations, 25th report, "Executive Branch Practices in Withholding Information From Congressional Committees," 86th Cong. 2d sess., H. Rept. No. 2207, Aug. 30, 1960, p. 6.

The details of agreements with Thailand, Korea, the Philippines, Ethiopia, Spain and other countries, which details remain classified, have been obtained during the Subcommittee investigation and discussed during country-by-country hearings. Few facts were volunteered in the first instance.[68]

Classification of information appears to present more of a problem to Congress when it prevents Congress from knowing enough about policies to raise questions about them or to ask to see the classified information which exists, and thus from participating in formulating policies. This is not a new problem. In the 1960 survey conducted by the Subcommittee on Constitutional Rights Senator Anderson, Chairman of the Joint Committee on Atomic Energy, responded with a list of instances in which the Joint Committee on Atomic Energy was not kept fully and currently informed by the Department of Defense as required by the Atomic Energy Act of 1954. One of the Senator's examples related that the Committee was informed of a proposed arrangement with an allied nation for the use and custody of an American air-to-air nuclear weapon by a special assistant to the Secretary of Defense in November of 1959, only after the planned arrangements had been discussed with the allied nation some time earlier in 1958 and the recommendation for the arrangement made by the Joint Chiefs of Staff in April 1959. The Defense Department in June of 1959 proposed that such an arrangement be entered into by the State Department. None of these dealings had been brought to the attention of the Joint Committee until November.[69]

The Symington Subcommittee report, discussing the growth of the United States commitments involving defense of other countries, said:

> . . . one secret agreement or activity [regarding Southeast Asia] led to another, until the involvement of the United States was raised to a level of magnitude far greater than originally intended.
>
> All of this occurred, not only without the knowledge of the American people, but without the full knowledge of their representatives or the proper committees of the Congress.
>
> Whether or not each of these expensive and at times clearly unnecessary adventures would have run its course if the Congress and/or the people had been informed, there would have been greater subsequent national unity, often a vital prerequisite to any truly successful outcome.[70]

The Senate Foreign Relations Committee hearings on Laos released in October 1969, six months after they were held, revealed that for five years the United States had been waging a secret war in northern Laos. In his testimony, the United States Ambassador to Laos told the committee that the United States had no military training and advisory organization in Laos; that there were no U.S. advisors with the Laotians; and that Air America carried equipment only for the AID program and was not involved in combat operations. The Ambassador neglected to acknowledge the significant role of the U.S. Air Force which had been bombing northern Laos for years. When confronted at later hearings by the committee, the former ambassador said that he did not discuss the bombing because he was not asked any direct

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[68] U.S. Congress, Senate, Committee on Foreign Relations, Subcommittee on Security Agreements and Commitments Abroad, "Security Agreements and Commitments Abroad," report, 91st Cong., 2d sess., Dec. 21, 1970, p. 26.

[69] U.S. Congress, Senate, Committee on the Judiciary, Subcommittee on Constitutional Rights, op. cit., p. 2.

[70] U.S. Congress, Senate, Committee on Foreign Relations, Subcommittee on U.S. Security Agreements and Commitments Abroad, op. cit., p. 3.

questions about United States operations in northern Laos. Senator Fulbright went to the heart of the problem when he answered:

> We do not know enough to ask you these questions unless you are willing to volunteer the information. There is no way for us to ask you questions about things we don't know you are doing.[71]

Senator Symington pointed out that the secrecy imposed by the executive "prevented any objective review by the Congress of our policy. . . . ," but that when details of the heavily stepped-up bombing were finally disclosed to the Members, Congress took action by adopting an amendment which prohibited the sending of ground combat troops into Laos.[72]

C. CONGRESS, CLASSIFIED INFORMATION, AND PUBLIC OPINION

In addition to the foreign policy functions of Congress set by the Constitution, Congress plays a role as a link with public opinion. Its hearings and debates help keep the public informed of the various sides of foreign policy issues and reflect the diverse views of the American people. President Nixon recognized this role for Congress when he wrote in the conclusion of his Second Annual Review of United States Foreign Policy:

> Charged with constitutional responsibilities in foreign policy, the Congress can give perspective to the national debate and serve as a bridge between the Executive and the people.[73]

A number of Members of Congress have also seen the informing and reflecting of public opinion as one of the most important current roles of Congress in the foreign policy field. Senator Javits in an article in Foreign Affairs last year wrote:

> A major function of the Congress with respect to the great issues of foreign policy and national security is that of shaping as well as articulating public opinion. In a democracy such as ours, governmental action is possible only within parameters defined by public attitudes and opinions. In the major Senate foreign policy debates of the very recent past—Viet Nam and ABM—we have learned that the development and public presentation of new information and interpretations bearing on the great issues is a vital Congressional function as well as a potent instrumentality in asserting legislative prerogatives and responsibilities.[74]

Senator Fulbright in The Arrogance of Power expressed the view that:

> . . . Congress has a traditional responsibility, in keeping with the spirit if not the precise words of the Constitution, to serve as a forum of diverse opinions and as a channel of communication between the American people and their government.[75]

Classification of information has been a major problem to Congress in fulfilling this role. As long as the information remains classified, Congress cannot publicly debate it to inform the people or to inform other Members voting on legislation. The frustrations inherent in this

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[71] Symington, Stuart, "Congress's Right To Know," New York Times Magazine, Aug. 9. 1970, p. 62.
[72] Ibid., p. 63.
[73] Message from the President of the United States transmitting his Second Annual Review of U.S. Foreign Policy, H. Doc. 92-53, 92d Cong., 1st sess., Feb. 25, 1971, p. 179.
[74] Javits, Jacob K., "The Congressional Presence in Foreign Relations," Foreign Affairs, January 1970, p. 244.
[75] Fulbright, James W., "The Arrogance of Power," New York, Random House, 1966, pp. 44–45.

were expressed by Senator Fulbright in hearings on United States commitments in Morocco. Senator Fulbright contended that it was Congress' responsibility to be concerned with the funding of United States installations in Spain and Morocco and told executive branch officers, "But then you say, it is classified, it would not do to talk about it. Therefore, we cannot even discuss it on the Senate floor." [76]

To meet this problem, Congress has played an important part in getting information declassified to make it available to all. A process of negotiation has been used by congressional committees to make testimony given in secret or in closed hearings by executive branch representatives a matter of public record. The transcripts of the hearings given in executive session are submitted to the executive agency involved for review. The agency marks those portions of the testimony which, in its opinion, should remain classified. When the agency gives reasons for classifying a certain portion other than security, the committee attempts to persuade the officials to declassify more information. Walter Pincus, former chief consultant to the Symington Subcommittee on United States Security Agreements and Commitments Abroad of the Senate Foreign Relations Committee, discovered that "the declassification of some security information and almost all the political material—at any level of classification, even top secret—was negotiable." [77] In one particular hearing, Pincus relates, the Administration deleted 60 to 70 percent for reasons of "security." After negotiation with the subcommittee, almost 80 percent of the hearings were made public. Pincus concluded that the amount of "secret" material was sharply reduced, not for any reason other than it probably did not deserve to be classified in the first instance.[78]

One problem associated with this declassification through negotiation procedure is that various committees may have different practices on classified information. One committee might be treating information as secret which another committee published with the agreement of the Executive Branch that it could be declassified.

Related to the problem of congressional efforts to get classified material declassified is the issue regarding the type of material which finds itself labeled with a security classification and therefore generally withheld from Congress. Reference has already been made to Walter Pincus, former consultant to the Symington subcommittee, who stated that much of the information should not have been classified from the start. Much credence must be given also to the former chief civilian classification officer in the Department of Defense, William G. Florence, who in testimony before the Foreign Operations and Government Information Subcommittee of the House Committee on Government Operations in June 1971 stated that, ". . . the disclosure of information in at least 99½ percent of those classified documents could not be prejudicial to the defense interests of the nation." [79]

Some time earlier, Senator Humphrey made a statement entitled, "The Experience of the Senate Subcommittee on Disarmament on the

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[76] U.S. Congress, Senate, Committee on Foreign Relations, "Hearings on U.S. Security Agreements and Commitments Abroad," pt. 9, "Morocco and Libya," July 20, 1970, p. 1972.
[77] Pincus, Walter, "Congress Negotiates with the Executive Branch," Washington Post, June 30, 1971, p. B6.
[78] Ibid.
[79] Florence, William G., op. cit.

Declassification of Government Documents and Testimony" before the Moss Subcommittee on Government Operations in 1959 to illustrate that "information is withheld for reasons that cannot be justified in the name of national security. . . ." Humphrey gave as his example the Department of the Army's restoring over 90 percent of the testimony of then Army Chief of Staff, General Maxwell Taylor, when challenged on the classification of the officer's testimony.[80]

One of the factors in this case as in many others involving classified information is that much of the data is classified mainly to keep policy decisions from being made public. Walter Pincus wrote that in the Symington subcommittee hearings on the Philippines, the Administration's deletions, amounting to from 60 to 70 percent of the transcript, fell into two categories: security and political. The subcommittee was able to enter into negotiations with the Administration to declassify the political testimony only after a threat of public subcommittee hearings on the subject.[81] Without such efforts, declassification decisions would be entirely in the hands of the Executive Branch and the knowledge made available to the public would depend on what the Executive Branch alone wanted the public to know.

V. Proposals for Changing the Classification System

A. PAST EFFORTS

Many of the problems involved in the classification system have long been recognized and there have been many proposals for changing the system. Some of these proposals have resulted in changes but others have not. A brief survey of some of the major studies of the classification system in the past and their recommendations demonstrates that such problems as overclassification are not new. A few examples follow.

1. Coolidge Committee

A Committee on Classified Information was appointed by Secretary of Defense Charles E. Wilson on August 13, 1956, because of the latter's concern about unauthorized disclosures of information. Headed by Charles A. Coolidge, the committee reported on November 8, 1956, that while the classification system under Executive Order 10501 seemed "beyond reasonable criticism as a matter or theory", the system in practice could justifiably be criticized both for withholding too much information and for harmful leaks of information.[82] The recommendations of this Committee included (1) making a determined attack on overclassification; (2) cutting down the number of persons authorized to classify documents as top secret; (3) making clear that classification was not to be used for information not affecting the national security and specifically not for administrative matters; (4) establishing within the Office of the Secretary of Defense an official responsible for establishing, directing, and monitoring an active declassification program, the official to be separated from the direct influence

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[80] U.S. Congress, Senate, Committee on the Judiciary, "Withholding of Information From the Congress," committee print, 1961, p. 35.

[81] Pincus, op. cit.

[82] Report to the Secretary of Defense by the Committee on Classified Information, Nov. 8, 1956, U.S. Congress, House, Committee on Government Operations, "Availability of Information From Federal Departments and Agencies," hearings, pt. 7, Washington, U.S. Government Printing Office, 1957, p. 2134.

of both security and public information officials in order to bring an unbiased judgment to the field of classification; and (6) supplying more specific guidelines on classification criteria.

2. Commission on Government Security

Another group which concerned itself with the defense classification system was the Commission on Government Security established pursuant to P.L. 84–304, approved August 9, 1955. The Commission consisted of several Members of Congress as well as private citizens with Loyd Wright as chairman and Senator Stennis as Vice Chairman. The Commission, which also examined other aspects of the effort to protect national security including the Federal Civilian Loyalty Program, the Atomic Energy Program, and the immigration and nationality program, expressed its conviction that "an adequate and realistic program for control over information or material of concern to national defense or security is vitally important to the objectives of our national security program." [83] The reason behind document classification, the Commission stated, was the necessity for balancing the need to insure that hostile eyes did not gain access to information the country wished to safeguard against the need to make certain that the American people and friends had access to all information which would help in the achievement of peace and security. The problem was how best to achieve this balance.

The Commission recommended the establishment of a "Central Security Office having review and advisory functions with respect to the Federal document classification program and to make recommendations for its improvement as needed." [84] The Central Security Office was also to have other functions such as hearing cases on government employees whose loyalty was questioned. The Commission concluded that the problem of the classification program was not a matter of the criteria established by Executive Order 10501. However, it recommended a few modifications, particularly the abolition of the "confidential" classification on defense information in the future. It expressed the belief that the document classification program should be embodied in an executive order, with the exception of the review and advisory functions of the proposed Central Security Office which it stated required legislation.[85]

3. Special Government Information Subcommittee Proposals

The House Committee on Government Operations has recommended various changes in Executive Order 10501 since its Special Government Information Subcommittee (Moss Subcommittee) was formed in 1955. It reported in 1962 in a study on the status of that executive order that as the committee had made various recommendations there had been gradual progress toward resolving the conflict between the necessity for an informed public and the necessity for protecting defense information. Its 1962 report stated:

> There has been a gradual recognition of the fact that the ideal information security system is one which defines very carefully those secrets which are imperative to the Nation's defense and then protects them as carefully as possible. Thus, Executive Order 10501 has evolved from a sort of catchall system

[83] Commission on Government Security, Loyd Wright, Chairman, report pursuant to Public Law 304, 84th Cong., as amended, June 21, 1957, p. 172.
[84] Ibid., p. 181.
[85] Ibid., p. 183–184.

permitting scores of Government agencies and more than a million Government employees to stamp permanent security designations on all kinds of documents, to a system permitting only those officials directly involved in security problems to place on limited numbers of documents security classifications which are to be removed with the passage of time.[86]

Nevertheless, the committee reported, two of the most important problems remained to be solved. One of these problems was the lack of penalties for abuse of the classification system by withholding all kinds of administrative documents in the name of security. The report stated:

A security system which carries no penalties for using secrecy stamps to hide errors in judgment, waste, inefficiency, or worse, is a perversion of true security. The praiseworthy slogan of Defense Secretary McNamara—"when in doubt, underclassify"—has little effect when there is absolutely no penalty to prevent secrecy from being used to insure individual job security rather than national military security.[87]

To meet this problem, the committee urged the Defense Department to establish administrative penalties for misuse of the security system until set penalties could be established.

The other problem it noted on which progress had not been made was the lack of an effective procedure for appeals against abuse of the classification system. To meet this problem, the committee urged that the appeals section of Executive Order 10501 be implemented in an effective manner. It stated that "until a responsible individual in the White House is charged with the primary duty of receiving and acting upon complaints against abuse of the classification system—until a full operating appeals system is set up and widely publicized—the most important safety valve in the information security system is completely useless." [88]

B. CURRENT STUDY IN EXECUTIVE BRANCH

The Administration has launched two new efforts this year relating to the classification problem. On August 3, 1971, President Nixon asked Congress to approve a supplemental appropriation for fiscal 1972 of $636,000 for the General Services Administration to begin an immediate and systematic effort to declassify the documents of World War II. In his message he stated that representatives of the National Archives, the General Services Administration, and the Departments of State and Defense had agreed that 90 to 95 percent of the classified documents of World War II, involving 160 million pages, 49,000 cubic feet of record storage space, and 18,500 rolls of microfilm, could be declassified if funds were available.[89]

In addition, on January 15, 1971, President Nixon directed that a study be made of the classification procedure. William H. Rehnquist, an Assistant Attorney General and Director of the Office of Legal Counsel in the Department of Justice, was named chairman of the working group comprised of representatives from the executive departments affected. The study has not yet been completed. However,

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[86] U.S. Congress, House, Committee on Government Operations, 25th report, "Safeguarding Official Information in the Interests of the Defense of the United States (The Status of Executive Order 10501)." H. Rept. No. 2456. 87th Cong., 2d sess., Washington, Government Printing Office, 1962, p. 13.

[87] Ibid.

[88] Ibid.

[89] Weekly Compilation of Presential Documents, p. 1117.

on August 12, 1971, John D. Ehrlichman, Assistant to the President for Domestic Affairs, and John Dean, Counsel to the President, gave a progress report on the study in a press conference.

Mr. Ehrlichman said the final recommendations are expected to cover both the classification and declassification systems, proceeding on the "basic principle that we are going to be classifying fewer documents in the future, but classifying them better," and that there should be limits on distribution to persons with clearance on a strict need-to-know basis. The direction thus far indicated, he said, that there would be new limits on the right to duplicate and disseminate documents.

Mr. Ehrlichman said the President had decided he would expand his request for appropriations to speed the declassification process and has asked for a special study of methods by which first priority could be given to declassifying information relating to events of special historical incidents, particularly the Korean War, the action in Lebanon under President Eisenhower, and the Cuban action under President Kennedy. The criteria for declassification would be (1) that the release of the documents would not jeopardize current intelligence sources and (2) that release could not imperil current relations with other governments or seriously and unnecessarily embarrass foreign citizens. Finally, Mr. Ehrlichman said:

> The recommendations of the committee will undoubtedly be in the direction of a system which will impose a presumption, after passage of a certain period of time, that a document should be declassified, which presumption could be rebutted by a showing that it would be contrary to the national interest to declassify it at that time.
>
> The presumption now runs in the other direction; that a document will remain classified unless someone can come forward and sustain the burden that it should be declassified.[60]

C. OTHER RECENT PROPOSALS

Several proposals for legislation have been made in the 92nd Congress to deal with the problem of classification of materials by the executive branch. Some of these deal only with information from a single agency, such as the proposal by Senator Cooper in S. 2224 to make it the duty of the Central Intelligence Agency to keep fully and currently informed the Committees on Foreign Relations and Armed Services, with the intelligence information thus acquired to be made available to any Member of Congress under rules prescribed by the committees. This study will discuss only proposals dealing with the problem of classified information throughout the Executive Branch. While most have been introduced since the release of the Pentagon papers, some have a history which goes back several Congresses.

1. Temporary Study Commission or Committee

One approach which has been suggested is the establishment of a temporary commission or joint congressional committee to make a study of the specific problem of classification of information and to make recommendations for legislation or other governmental action. For example, S. J. Res. 119 introduced by Senator Roth and others on June 24, 1971, would set up a commission of seven members (two

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[60] White House press release, Aug. 12, 1971.

Senators, two Representatives, and three private citizens including one representative of the press). The commission would be called upon to study all laws, regulations, and procedures relating to classification and make recommendations and a report by February 1, 1972.

A similar proposal would establish a select joint committee of Congress known as the "Committee on Freedom of Information" to make a study of the problem. This has been proposed by Rep. Harrington and others in H. Con. Res. 348 introduced June 24, 1971. The select committee would "conduct a full and complete investigation and study as to whether the policies and procedures followed by the agencies, departments, and instrumentalities of the Federal Government, with respect to the classification and dissemination of information, are adequate to insure the free flow of information that is necessary for the intelligent and responsible exercise of constitutional rights, duties, and powers by Members of the Congress, the Congress, and the people of the United States."

The establishment of a temporary study commission or committee would have the advantage of assuring a thorough preliminary study prior to making changes in the existing system. Whether it would have meaningful results would depend upon the degree to which further action were taken upon the basis of its study and recommendation.

2. An Independent Review Board or Commission

Another suggestion which has been made is for a permanent commission or independent review board to review classification policies or decisions or to declassify documents at its discretion. Senator Muskie, for example, has said he intended to propose legislation for the creation by Congress and the President of an independent board which would be responsible for declassifying documents.[91] It would be enabled to make a document public after a two year waiting period or to send relevant documents at any time to the appropriate committee of Congress.

Senator Muskie has stated that the establishment of an independent review board would give the President and the Departments a strong incentive to be frank about the facts since they would be revealed soon anyway. His view is that such a board would protect national security without allowing security classification to hide blunders or launch covert actions.[92] The board would be bipartisan and composed of one member from the Government, one from the press, and five from the public, with non-renewable terms.

Representative Hébert introduced an amendment to the National Security Act of 1947 on July 15, 1971, which would establish a Commission on the Classification and Protection of Information (H.R. 9853). The Commission would have a total of twelve members, two from the Senate, two from the House of Representatives, and four each appointed by the President and the Chief Justice. Its purpose would be to make a continuing study and review of the classification rules and practices. Similarily, one of the possibilities to be explored by the proposed study commission under S.J. Res. 119 introduced by Senator Roth would be the feasibility of establishing an independent agency to

[91] Remarks by Senator Edmund S. Muskie, Garden City, N.Y., June 20, 1971, Congressional Record, July 19, 1971, p. E7889.
[92] Ibid., p. E7890.

ensure the full disclosure of information while protecting the security of the United States. A number of other bills have been introduced which would have the effect of creating an independent board or commission on classification.

As has been noted, a Central Security Office was suggested by the Commission on Government Security in 1957. However, the recent proposals for an independent board or commission appear to differ from the earlier proposal in several ways. First, the Central Security Office would have had several other functions; any relating to classification would have been only a segment of its responsibilities. Second, the Central Security Office would have been part of the Executive Branch although independent of any department. Third, the Central Security Office would not have had power to review individual documents for the purpose of determining whether or not they were properly classified. It would have been limited to considering policies and procedures, expediting declassification, and suggesting recommendations to make the security programs of various agencies uniform, consistent, and effective.[93]

The feasibility and effectiveness of an independent commission or board could vary according to the purpose sought and the functions assigned to such a group.

If it had the confidence of both the Congress and the Executive, an independent board or commission might be able to arbitrate differences of opinion between the two branches as to whether specific data should be made public. At the present time the Executive Branch is usually permitted the final decision by Congress and only rarely does a Member defy the classification stamp and make public a classified document without the consent of the Executive Branch. Under some proposals for a Joint Congressional Committee on classified information, however, apparently the final decision on a dispute over the classification of a document in dispute might be made by the Joint Committee, an arm of Congress.

If one of the functions of the commission was to oversee the classification process and review classified documents in general, one problem would be to ensure that it was given or had access to all classified documents so that it could review them. In view of the time necessary to read and understand the significance of documents and the large number of documents which would apparently be involved, any comprehensive review of classified information could be extremely time consuming. President Nixon has estimated that it will require 100 people five years to review the 160 million pages of documents from World War II which are still secret.[94] General review functions, therefore, might require a commission or board with a rather large staff.

In establishing the duties of the commission, however, methods might be found by which the review commission did not attempt to review all classified documents but only certain ones. For example, if it were provided that all documents would be automatically declassified within a certain period unless the review board determined that they should not be, the burden of initiating an exception and proving the need of continued classification would rest on the agency desiring to keep a document secret. Or, as has been suggested in one proposal,

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[93] Commission on Government Security, op. cit., pp. 89 and 182.
[94] Washington Post, Aug. 4, 1971.

documents would be reviewed at the time they were first classified and each classification would have to be justified at that point.[95] The problem would remain, however, of whether the board would know if any agency had withheld documents from the review process.

3. Permanent Joint Congressional Committee on Security Information

Another approach is the establishment of a permanent joint congressional committee to serve as a watchdog on classification policies. This offers a direct way to give Congress a more active role in determining classification policy. In addition, since the membership of Congress reflects a wide range of opinion on how much and what kind of information should be kept secret and how much should be made public, it might offer a way to find a good balance between that information which should be available to all and that which should be kept secret in the interests of national security.

Several bills have been introduced in the 92nd Congress calling for the establishment of a Joint Congressional Committee on Classified Information. These are quite similar in the functions they provide for the committee but vary in the size and composition of the membership. The joint committee would be responsible for continuing investigation of practices and methods used in the executive branch to classify information for defense and security purposes, and of suspected misuse of such classification for purposes contrary to the public welfare. Upon findings of such misuse the committee could initiate such action as it deemed necessary to prohibit such misuse, sometimes including making any classified information which it considered ought not to be classified available to the public. The joint committee would also be responsible for assuring that classified information was available to Congress unless it agreed otherwise.

As an example of the way the joint committee might be composed, H.J. Res. 745, introduced by Congressman Addabbo on June 24, 1971, and in the 91st Congress as H.J. Res. 1131, would create a committee of 18 members to be composed of the chairman and ranking minority members of the House and Senate Armed Services Committee, the Foreign Relations and Foreign Affairs Committees, the Defense Appropriations Committees of the House and Senate, three other members of the Senate appointed by the President of the Senate, and three other members of the House appointed by the Speaker of the House.

S. 2290, introduced by Senator Humphrey on July 15, 1971 would establish a joint committee of 25 members, including the Speaker of the House; Majority and Minority leaders of the Senate and the House; Chairman and ranking minority members of the following committees of both houses, Appropriations, Armed Services, Foreign Affairs/Foreign Relations; three additional members of the House and Senate; and two members of the Joint Committee on Atomic Energy.

4. Legislation Revising Classification Procedures

Another approach is to establish through legislation the regulations and procedure for classification as Executive Order 10501 now does or to supplement that order to remedy the weaknesses which have appeared in its implementation. Rep. Gibbons has recommended that Congress pass legislation which, in addition to establishing a congres-

[95] Hudson, Richard, "Let's Declassify," New York Times, July 1, 1971, p. C47.

sional oversight committee, would provide a clear definition of national security matters which could be classified and the circumstances under which such classification could be imposed. He proposed that each agency be required to number classified documents chronologically and provide to Congress annually a list of its classified documents identified by number. The list would be required to contain also an indication of the number of classified documents from the preceding year, a listing of the documents which had been declassified, and an indication of how long the remaining documents had been classified. The departments and agencies, under his proposal, would be required to review classification annually and the continued classification of any document for three or more years would require the authorization of the head of the agency or department.[96]

Senator Mansfield has said:

> Perhaps the need is for a 20th Century Stamp Act, which would define more precisely who has the right to stamp the various classifications, and under what circumstances, and to require a justification by originator of the classification as to his selection and how public dissemination would compromise national security.[97]

The proposal has also been made that Executive Order 10501 should be rescinded so that there would be no authority for a large number of people throughout government to classify information. Mr. William Florence, a retired civilian official of the Air Force who had extensive experience with the classification system, has suggested the rescinding of Executive Order 10501 (as necessary to root out the classification habits which have developed) and its replacement with legislation controlling defense information. He stated in testimony before the Government Operations Committee on June 24, 1971:

> I respectfully suggest the enactment of legislation for controlling "defense information" or "defense data" similar to that which covers "restricted data" under the Atomic Energy Act of 1954. The Congress could decide upon appropriate language, sufficiently precise, that would include only those elements of military information which warrant and must be accorded effective protection against disclosure. We could easily amend the existing order, but we cannot amend people. The use of so-called classifications or other similar labels should be avoided. Any proposed disclosure not authorized by the statute could be stopped, and any unlawful disclosure could be the basis for penalty. The degree of punishment should be made commensurate with the seriousness of the violation, not necessarily a severe penalty.[98]

5. Legislation Providing for Automatic Declassification

As an alternative approach, instead of addressing itself to classification procedures legislation might be directed toward facilitating declassification. For example, a law might be passed that after a certain period of time all documents would be automatically declassified unless some positive determination were made that a document should remain classified, thus making it easier to declassify documents than to keep them classified. The time period might be set as low as one year or as high as fifty years. Dr. Edward Teller, for example, has suggested that the United States declassify all secret documents after a year because "That is the period of time during which we can keep

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[96] Testimony of Representative Sam Gibbons before the House Government Operations Committee, June 24, 1971.
[97] Congressional Record, June 28, 1971, p. S9984.
[98] Congressional Record, June 28, 1971, p. E6653.

secrets. In a longer period, we cannot." [99] At the other extreme, a fifty-year limit, which the British Official Secrets Act sets, after which all official documents must be made public, has been criticized as being too long and as inhibiting the publication of documents before that time. [100] However, even a long time-limit assures that all documents would eventually be declassified without a time-consuming and expensive review. Apparently the Administration is considering this general approach, although not necessarily through legislation.[101]

6. Study by Qualified Historians

The recent controversy over the unauthorized publication of a classified Department of Defense history of the Vietnam war, the "Pentagon Papers," focused attention on the importance to historians of declassifying documents relating to past events. In addition to arguing that there is a need for the data to make wise foreign policy decisions on current problems, some historians have attempted to gain recognition of the needs of historians in compiling accurate factual histories of U.S. foreign policy. Currently the time lag between the occurrence of an event and its publication in the "Foreign Relations of the United States. Diplomatic Papers" volume is 25 years, and the delay continues to grow longer. Some historians have gone so far as the judicial system to force the release of specific information, as in Operation Keelhaul mentioned earlier, without success.

An editorial in the Washington Post of July 7, 1971, by Henry Owen outlines a proposal suggested in recent years by historians. This would call for the opening up of all historical records, with a few exceptions, to qualified, professional historians after a specified amount of time. These historians would then compile histories of U.S. foreign policy under the sponsorship of University or Foundation grants. This was done by the government in the late 1940's for two historians whose work on the Second World War has become an important historical source.

7. Congressional Vigilance

Whether or not new laws relating to classified information are enacted or new machinery for classification and declassification is established, there may be a considerable amount that can be done to minimize the impediments which classified information places on the work of Congress in the field of foreign affairs. For example, reporting provisions in legislation can require that certain information be transmitted to Congress. Resolutions can be passed requesting the release of specified information if enough members believe that the information should be released. New legislation can be reviewed to ascertain whether it sanctions classification of information by such means as requiring clearances for access to certain information, and if so whether the legislation also provides safeguards against withholding information from Congress. Congressional review and oversight activities can be intensified over the areas and agencies in which large amounts of classified information render inadequate the amount of information available to the general public.

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[99] Dallas Morning News, Aug. 20, 1971, p. 9F.
[100] Worsnop, Richard L., "Secrecy in Government," Editorial Research Reports, 1971, vol. II, Aug. 18, No. 7, p. 641.
[101] See above sec. B., "Current Study in Executive Branch."

The power of the purse can be utilized by specific provisions such as Sections 624(d) (7) and 634(c) of the Foreign Assistance Act of 1961 as amended, and Section 502 of the Foreign Assistance and Related Programs Appropriation Act, 1971, relating the release of funds to the provision of information requested by a committee or subcommittee of Congress. These particular provisions permit information to be withheld upon a personal certification by the President that he has forbidden the furnishing of the specified information. Such a personal certification was made by the President on August 30, 1971, to prevent a suspension of Military Assistance Program funds after the Secretary of Defense had refused to supply the Senate Foreign Relations Committee with a requested five-year plan for military assistance. This withholding of information was done on the grounds of executive privilege and the need for "privacy of preliminary exchange of views between personnel of the Executive Branch" rather than security classification. It appears to have been facilitated, however, by the provision of the law permitting a waiver upon the President's personal certification. In its 1960 report, "Executive Branch Practices in Withholding Information From Congressional Committees," The House Committee on Government Operations endorsed the use of the power of the purse for the purpose of obtaining information necessary for Congress to perform its functions, stating as its concluding paragraph:

> Utilizing the power of the purse, the Congress can and should provide in authorizing and appropriating legislation, that the continued availability of appropriated funds is contingent upon the furnishing of complete and accurate information relating to the expenditure of such funds to the General Accounting Office and to the appropriate committees, if any, at their request.[102]

Congress can survey its own policies and practices in handling classified information and revise them if they seem to be either a barrier to the declassification of information or a barrier to obtaining or debating secret information. For example, if the lack of proper storage facilities has been used as a reason for not leaving classified material with Members of Congress, consideration could be given to providing the necessary facilities. Similarly, Congress could survey its own sources of information in the foreign affairs field and, if the Executive Branch does not cooperate in supplying the information it gathers, consider expanding or utilizing its own investigative resources more fully. For information which remains classified, it could make more frequent use of closed sessions of the Senate, as in the debate on Laos on June 7, 1971.

In any event, the many proposals which have been introduced in Congress indicate that a new attitude toward classified information is developing. A greater awareness of the hazards in Executive Branch secrecy is leading to a greater vigilance on the part of Congress against misuse of the classification system. A new determination by Congress to play its full constitutional role in the making of foreign policy may be bringing an end to an era in which persons without access to classified information were often made to feel that they could not debate foreign policy issues on a par with officials in the Executive Branch.

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[102] U.S. Congress, House, Committee on Government Operations, 25th report, "Executive Branch Practices in Withholding Information From Congressional Committees," 86th Cong., 2d sess., H. Rept. No. 2207, Aug. 30, 1960, p. 14.

The CHAIRMAN. Thank you very much, if that is all you have to offer. It has been a long week.

Mr. MACOMBER. Thank you, Mr. Chairman. I think it has been a very useful week.

The CHAIRMAN. Thank you very much.

(Whereupon at 5:15 p.m., the committee adjourned, subject to the call of the Chair.)

(Additional questions submitted to Mr. Macomber and answers follow:)

QUESTIONS SUBMITTED TO MR. MACOMBER, DEPUTY UNDER SECRETARY FOR MANAGEMENT, BY THE CHAIRMAN FOR THE RECORD

Question 1. The Legislative Reorganization Act of 1970 requires that each Committee report on authorization legislation give a five-year estimate of the costs involved. Will you furnish the Committee with an estimate of the five-year costs for the activities to be authorized by this bill?

Answer.

[In millions of dollars]

	[1] 1973	1974	1975	1976	1977
Administration of foreign affairs	289.5	320.5	334.4	342.6	364.8
International organizations and conferences	188.3	212.4	231.3	251.5	274.0
International commissions	18.2	24.4	25.7	15.6	10.3
Educational exchange	59.2	76.9	89.8	103.0	117.0
Other	8.2	11.5	12.1	12.7	13.2
Total, Department of State	563.4	645.7	693.3	725.4	779.3

[1] Excludes budget amendments due to pay costs and dollar devaluation, totalling $15,100,000.

Question 2. (a) Will you furnish an estimate of the amount in the regular State Department budget that will be used for administrative purposes and the number of people who work on administrative matters? How does this compare with the percentage of the Department's budget used for this same purpose ten years ago?

Answer. The estimated amount for administrative purposes in the regular budget for fiscal year 1973 is $42.6 million or 7.5%. The estimated number of positions is 1,709. In fiscal year 1964 the estimated amount spent for administrative purposes was 6.4% of the regular State Department budget.

These figures represent primarily the Administrative and Management areas in the Department here in Washington which are grouped organizationally separate from other functions. The above amount and percentages do not, therefore, reflect amounts spent overseas for administrative purposes as our accounting system is not designed to identify separately such costs. In the case of overseas positions devoted to administrative purposes we estimated that for FY 1973 we will have 757 Americans and 2,341 local positions. We do not have similar data for fiscal year 1964 which would identify the number of overseas positions devoted to administrative activities.

Question 2. (b) How does the Department's operating budget request (relative to the size of the Department's total budget) compare with that of ten years ago?

Answer.

	Fiscal year 1964 Amount	Percent	Fiscal year 1973 Amount	Percent
Operating budgets	$181,556,000	51.7	$296,816,000	52.7
Program budgets	169,614,000	48.3	266,538,000	47.3
Total	351,170,000	100.0	563,354,000	100.0

Question 3. How many vacancies are there in the Department now; how many more do you expect by the end of this fiscal year; and, how many vacancies will occur through normal attrition by FY 1973?

What are the estimated annual costs for filling the vacancies in each category?

Answer. As a result of the President's Reduction directive of August 15, 1971, the Department had an excess over authorized strength of 205 American employees as of February 29, 1972. We expect that this overage will be offset, by attrition, before the end of this fiscal year. It is expected, however, that 100 of these vacancies will be clerical positions which must be filled prior to the end of the fiscal year. Accordingly, this will result in our being still about 105 over the ceiling by the end of this fiscal year. Vacancies through normal attrition in FY 1973 are expected to be 600 for a net of 495 vacancies which will have the effect of bringing our employment down to the authorized level.

The cost of filling the 495 vacancies in FY 1973 is expected to be:

Personnel recruitment costs	$790,000
Security investigations	292,000

The annual salary and related costs of these newly employed personnel are expected to cost $5,439,000.

Question 4. Would you provide a breakdown of the Department's American positions by personnel category (FSO, FSR, Civil Service, etc.), by guide or class and the total salary costs for those in each grade or class?

Answer:

FISCAL YEAR 1973

	Total	
	Number	Annual rate
Executive level positions:		
I	1	$60,000
II	26	1,105,000
III	31	1,240,000
IV	57	2,166,000
V	51	1,836,000
Total	166	6,407,000
General schedule grades:		
18	2	72,277
17	4	142,764
16	18	581,135
15	129	3,632,510
14	136	3,182,209
13	173	3,465,051
12	141	2,348,630
11	209	2,932,202
10	31	420,909
9	314	3,774,739
8	194	2,178,303
7	384	3,757,843
6	300	2,650,713
5	361	2,793,018
4	225	1,527,675
3	103	609,031
2	70	370,747
Total	2,794	34,439,756
Foreign Service officers:		
1	248	8,942,298
2	396	12,130,959
3	587	14,222,636
4	643	12,233,776
5	517	9,486,396
6	236	2,962,329
7	124	1,394,314
8	13	123,721
Total	2,864	61,496,429
Foreign Service Reserve Officer:		
1	83	2,999,103
2	157	4,956,722
3	151	3,758,239
Foreign Service Reserve Officer—Con.		
4	97	$1,924,807
5	71	1,136,640
6	64	841,841
7	81	903,066
8	34	323,842
Total	738	16,844,260
Foreign Service Staff:		
1	76	1,899,511
2	144	2,870,200
3	174	2,791,384
4	240	3,343,625
5	360	4,492,253
6	478	5,277,747
7	425	4,121,537
8	365	3,119,244
9	86	626,838
10	37	248,107
Total	2,385	28,790,446
Grades established by the Secretary of State, comparable to GS Grades:		
18	2	72,000
15	13	360,981
14	16	396,675
13	26	520,629
12	28	595,973
11	25	377,538
10	15	205,504
9	39	483,393
8	12	135,558
7	35	340,970
6	30	270,548
5	43	348,182
4	21	147,009
3	16	104,944
2	9	53,527
Total	330	4,313,431
Wage Board	202	1,646,102
Total	9,479	153,937,424

Note: Does not reflect 318 S&E positions reduced as a result of President's Directive of August 15, 1971.

Question 5. Would you provide a table giving the number of American positions both here and abroad proposed for FY 1973 with the totals for ten years ago?

Answer:

	Fiscal year 9164	Fiscal year 1973
Domestic	5,637	5,307
Overseas	4,664	3,854
Total	10,301	9,161

Question 6. What is the estimated total personnel of the foreign ministries of the Soviet Union, Japan, Germany, France, Great Britain, and China?

Answer:

Japan: 1,482.

Germany: 1,854 employees in Ministry of Foreign Affairs. Also, employees from Ministry of Finance and other Ministries are involved in Foreign Service operations in limited numbers.

France: 2,193.

Great Britain: 3,143 employees in Ministry of Foreign Affairs.

Republic of China: 361 employees in Ministry of Foreign Affairs. There are also small numbers of personnel of other Ministries in Taipei supporting Foreign Service operations.

Soviet Union: Data not available.

Question 7. (a) How many posts were closed or are scheduled to be closed in FY 1972 and FY 1973 and what are the estimated annual savings in each case?

(b) How many new posts were opened or are scheduled to be opened in FY 1972 and FY 1973 and at what cost for each?

Answer: 7. (a) Seven posts were closed in FY 1972. The posts and annual estimated savings are:

	Estimated savings
Barranquilla, Colombia	$75,000
Maracaibo, Venezuela	39,600
San Luis Potosi, Mexico	32,300
San Pedro Sula, Honduras	45,900
Veracruz, Mexico	25,000
Hargeisa, Somalia	[1] 0
Constantine, Algeria	[1] 0

[1] Personnel and functions being transferred to other posts with no anticipated savings.

No posts are scheduled to be closed in FY 1973.

(b) Four posts were opened or are to be opened in FY 1972. The posts and costs for each are:

	Estimated cost
Bahrain, Manama	$89,500
Abu Dhabi, United Arab Emirates	74,200
Oman, Muscat	46,700
Port Harcourt, Nigeria	100,000

Naha, Japan is the only post scheduled to be opened in FY 1973. The estimated cost is $372,800.

Question 8a. Has the Department made a study in recent years concerning the question of allowances and other fringe benefits for U.S. personnel serving abroad? If not, does it think this subject deserves study?

Answer. With full participation by field posts, the Department's Allowances Staff conducts continuous reviews of allowances it administers for U.S. personnel serving abroad. In our opinion, this subject deserves and receives careful scrutiny.

Question 8. (b) On the subject of representational allowances, would you supply for the record the general regulations concerning use of these funds and information comparing the size of our allotments for these purposes with those of other countries?

Answer. Attached is a copy of the requested regulations. The annual amount appropriated by Congress for representation allowances has been virtually the

same for the last several years—$993,000. This is also the amount requested for fiscal year 1973.

Insofar as other countries are concerned, generally speaking, other major countries allocate greater amounts to their foreign services. There follows a listing of the size of these allotments for other major countries. It is possible that the sums are not entirely comparable to the U.S. figure of $993,000, since the information was acquired informally and on study made of the various differences in rules on expenditures and other directives which might influence the uses of these funds:

Country	Annual amount	Remarks
Great Britain	$4,600,000	Approximately $1,300,000 is for exclusive use of Ambassadors.
Germany	6,000,000	No precise figure available as amounts for this purpose are in several sections of Germany's budget.
Republic of China (total annual amount not available, but allocations by categories of personnel are as follows): (a) $420 to $3,600 for third secretaries to Minister. (b) $3,600 for principal officers, other than Ambassadors. (c) $3,600 to $27,000 for Ambassadors.		
France	2,400,000	
Japan	8,259,033	

CHAPTER 300—REPRESENTATION ALLOWANCES

310—GENERAL

311—Definition

"Representation allowance" means an allowance granted pursuant to section 901 of the Foreign Service Act of 1946, as amended (22 USC 1131), or other acts providing allowances equal or similar to representation allowances provided for the Foreign Service under that section. The allowance is for the purpose of furthering abroad the interests of the United States.

**312—Scope*

Representation allowances are intended to cover allowable items of expenditure by employees whose official positions entail responsibility for establishing and maintaining relationships of value to the United States in foreign countries. Upon submission of vouchers, reimbursement may be effected or payment may be made on behalf of such employees for allowable items of expenditure.

320—ALLOWABLE ITEMS OF EXPENDITURE

Expenditures for items of the following kinds incurred in the foreign country or area of assignment or detail by employees described in section 312, may be approved for reimbursement or payment:

*a. Entertainment of a protocol nature, such as that normally offered by the principal and high-ranking subordinate officers of the Foreign Service at posts abroad on such occasions as national holidays and on such other important occasions as visits of noted personages or of public vessels or aircraft;

b. Entertainment undertaken by employees to promote personal relationships necessary to the performance of their official duties;

c. Tips and gratuities (in addition to those related to entertainment) to persons not employed by the United States, where such gratuities are customary in a foreign country and are necessary or desirable for the promotion of United States' national interests;

d. Purchase of flowers, wreaths, and similar tokens for presentation in accordance with local custom on appropriate occasions such as weddings, births, or deaths of important personages; and

e. Other representational expenses which the head of agency may authorize or approve as being of a type to promote the interests of the United States.

*330—PROHIBITIONS

Representation allowances shall not be used for the following or similar purposes:

a. Hire, purchase, operation, or repair of any motor-propelled, passenger-carrying vehicle, including aircraft. (5 U.S.C. 78).

b. Membership fees or dues in any society, club, or association. (5 U.S.C. 83).

c. Expenses of printing or engraving. (44 U.S.C. 111).

d. Printing of Christmas cards, or other types of greeting cards. (Decisions of Comptroller General B–115132, June 17, 1953; B–122515, February 23, 1955; 133991, November 25, 1957; and B–142538, February 8, 1961.)

e. Compensation for cost of living, quarters expenses, or for assignment under difficult environmental conditions; including expenses of recreation and entertainment solely for employees of the United States Government and their families. (5 U.S.C. 71 and 72).

340—PAYMENT

*341—*Vouchers*

Representation allowances may be paid upon presentation of appropriate vouchers for allowable expenditures (Sec. 320). Before certifying a voucher for payment, the authorized certifying officer shall determine that no prohibited items are included therein (Sec. 330) and that the voucher contains an explanation of the expenditures as listed below:

*a. Vouchers for Entertainment
(1) type, purpose, and location of function; and
(2) names and titles of American and foreign guests of honor.

b. Vouchers for Representation other than Entertainment
(1) occasion;
(2) name and title of recipient, or recipients; and
(3) reason for expenditure.

*342—*Receipts*

A supporting receipt shall normally be supplied for each expenditure of over $10 upon any single occasion. Where it is impracticable to obtain receipts the employee's certificate as to the expenditure will be sufficient.

UNIFORM STATE/AID/USIA REGULATIONS

340—REPRESENTATION ALLOWANCES (STATE)

(See 3 FAM 347 for A.I.D. and USIA.)

341—General

341.1—Purpose

Representation funds are appropriated to State pursuant to section 901 of the Foreign Service Act of 1946, as amended, for use by officers and employees of the Foreign Service, for the purpose of furthering United States foreign policy objectives. This is the only reason for the availability of such funds; this, must be the only criterion for their use.

341.2—Control by Chief of Mission

Representation funds do not accrue to any officer or employee solely by virtue of rank, title, or position. Rather, they are available for expenses incurred on behalf of the U.S. Government. They are not meant to take care of normal social obligations as members of the community. Entitlement to the use of a specified amount of such funds is granted to individual officers or employees on an *ad hoc* basis. Authority to approve such expenditures is delegated, within the limits of funds made available to him, to the chief of mission. Each approval will involve a decision on the part of the chief of mission to use a specified amount of money, in a particular instance, in a certain manner, in order to accomplish a specific objective.

342—Allowable Expenditures

342.1—General

Representation funds made available to a mission may be used at the discretion of the chief of mission for any expenditure, consistent with section 341.1, and not specifically prohibited by law or regulation.

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342.2—Prohibitions

The following types of representation expenditures, as stated in section 330 of the Standardized Regulations (GC, FA), are prohibited by law:

a. Hire, purchase, operation, or repair of any motor-propelled, passenger-carrying vehicle, including aircraft (31 U.S.C. 638a and b);

b. Membership fees or dues in any society, club, or association (5 U.S.C. 5946);

c. Expenses of printing or engraving (44 U.S.C. 111 and 219);

d. Printing of Christmas cards, or other types of greeting cards (Decisions of Comptroller General B–115132, June 17, 1953; B–122515, February 23, 1955; 133991, November 25, 1957; and B–142538, February 8, 1961.

e. Compensation for cost of living, quarters expenses, or for assignment under difficult environmental conditions, including expenses of recreation and entertainment solely for employees of the United States Government and their families (5 U.S.C. 5535(b) and 5536).

343—Planning, Control, and Distribution of Funds at Posts

343.1—Planning and Control by Chief of Mission

Development of preplanned countrywide representation program should be the particular responsibility of the chief of mission. State will make funds available to a mission as a lump-sum allocation. Obtaining optimum benefit from the use of available funds is of such importance to Washington that it is considered necessary for each chief of mission to assume personal control of the direction of representation activities and the use of representation funds available to his mission. This reliance upon the judgment of the chief of mission is designed to eliminate the expensive and time-consuming State review of representation expenditures and the need to elaborate and detailed regulations. It is also designed to reduce, if not eliminate entirely, requests from post or individual officers for additional funds, once the fund level has been established. Thus it is the responsibility of the chief of mission to tailor a representation program to the level of funds made available to him. He shall include provision for such events as naval visits or visits of important personages.

343.2—Approval by Chief of Mission

The mechanics of granting representation funds to officers and employees must necessarily be determined by each chief of mission to fit conditions peculiar to his post. At small diplomatic missions, it may, indeed, be possible for the chief of mission personally to approve each contemplated expenditure. At large posts, this may be impossible, and it may be necessary to delegate authority for preparing a representation program to a senior subordinate or a group of senior subordinates. In any event, the Department assumes that any voucher properly certified at the post for payment of representation expenses has met the implicit, if not explicit, approval of the chief of mission.

344—General Guidelines for Effective Use of Available Funds

344.1—Economy and Good Taste

A great deal of work which could be called "representation" involves little or no expenditure of money. Further, lavish expenditure is questionable in most circumstances. The wealth of the United States as a nation imposes a certain restraint of good taste upon our official representation abroad.

344.2—Informality

Many of the more formal or ceremonial aspects associated with the conduct of foreign relations can be simplified without surrendering those elements of tradition worth preserving. Representatives of the United States should try to reduce the emphasis sometimes given to purely ceremonial and outmoded formal observances.

344.3—Planning and Control

Effective use of representation funds entails (a) a defined policy; i.e., a determination on the part of the chief of mission of the specific objectives to be pursued, (b) a planned program; i.e., the careful weighing of alternatives to arrive at a program best suited to accomplish the policy objectives, (c) an allocation of funds; i.e., the assignment of responsibility for implementing the program to individual officers or employees, and (d) a continuing review of representation activities to ensure effective utilization of available funds.

344.4—Guidance

The ability to make effective use of limited resources is an art that usually must be learned. Thus, it is incumbent upon senior officers, including the chief of mission, to give guidance to those less experienced in the proper use of representation funds.

344.5—Prescribed Limits

In the interest of discouraging ostentation, the chief of mission should establish dollar limits for the various types of approved representation activities.

345—Accounting for Expenditures

Instructions covering the vouchering, certifying, payment, and accounting for representation expenditures are contained in 4 FAM 432. State's representation appropriation requests to the Congress are stated in terms of four basic purposes of expenditures as follows:

(a) Promotion of U.S. national interests;
(b) Protection of U.S. citizens' interests;
(c) Promotion of economic activities; and
(d) Commemorative and ceremonial requirements.

Thus, when approving representation activities, the chief of mission or his designee shall indicate which of the foregoing purposes most accurately describes the activity. The appropriate purpose shall be cited on the payment voucher.

346 Requests for Increases of Allotment

Since, as stated in section 343.1, it is the responsibility of the chief of mission to tailor his representation program to fit the resources made available to him, requests from posts for increases in established allotments will normally not be considered. If, however, in the opinion of the chief of mission, the lack of additional funds would seriously hamper the effectiveness of his mission, a request for additional funds may be made by operations memorandum, subject: ADMINISTRATION. The request should contain a complete but concise justification, including an indication of what effect the lack of such funds will have on the post's substantive operations.

347 A.I.D., and USIA

The principles contained in the preceding sections 341 through 346 are to be followed by A.I.D. and USIA in granting representation allowances allotted for use by employees of their agencies assigned to posts in foreign areas. (For USIA, see MOA V–B 263.)

Question 9. (a) How many military attaches are stationed abroad? How many members of MAAG's or military missions?

Answer. As of September 30, 1971 there were 313 officers assigned overseas in the Defense Attache System (DAS). As of September 30, 1971 there were 2,683 military, 214 U.S. civilian and 841 foreign nationals assigned overseas in MAAG's, Missions and Milgroups.

Question 9. (b) Could you supply for the record a comparison of the benefits available to a military attache with those available to a Foreign Service member stationed abroad?

Answer. See following material.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Travel on an actual expenses basis.[1]	Actual subsistense expenses, not to exceed $40 per day in United States (no actual expense travel outside United States.) (See special per diem below.)	Actual expense for subsistense, not to exceed $40 per day within continental United States, or the overseas per diem rate plus $18 outside United States.	Same as DOD employees	Actual expense basis	Same as State Department civil service employees.
Group travel[1]	Furnished transportation and subsistence and quarters en route. Per diem not payable.	Normal travel allowances whether traveling alone or with others.	do	No provision for group travel	Do.
Permanen change of station travel.[1]	(a) Mileage at $0.06 per mile (no per diem). (b) Transportation in kind or transportation requests plus per diem or meal tickets. (c) Reimbursement for cost of transportation plus per diem.	(a) For use of his automobile, mileage allowance of from $0.06 to $0.12 per mile depending on number of dependents accompanying him plus per diem for employee and dependents. (b) Transportation in kind or transportation requests plus per diem. (c) Reimbursement for costs of transportation plus per diem.	do	Actual expense basis. For authorized use of employee's automobiles reimbursed $0.10 per mile plus tolls garaging and any required meals and living expenses en route.	Same, except when more advantageous to Government may allow not to exceed 8cents for use of motorcycle and 12 cents for use of auto or airplane.
Temporary duty travel.[1]	(a) Per diem plus transportation in kind, transportation request, or reimbursement for the cost of transportation. (b) Per diem plus monetary allowance at $0.05 per mile in lieu of transportation. (c) Per diem plus monetary allowance at $0.07 per mile to owner or operator of privately owned conveyance when its use is authorized as more advantageous to the Government.	(a) Per diem plus transportation in kind, transportation requests, or reimbursement for the cost of transportation. (b) Per diem plus mileage at $0.11 per mile for use of privately owned conveyance when such use is more advantageous to the Government. (c) When use of privately owned conveyance is not more advantageous to the Government, reimbursement under b, is limited to per diem plus constructive cost of common carrier. (d) When employee elects to use privately owned conveyance in lieu of available Government-owned conveyance	Generally the same as DOD employees, except that when use of privately owned conveyance is more advantageous to the Government, payment may be made at the rate of $0.08 per mile for use of a privately owned motorcycle and $0.12 for use of privately owned automobile or airplane. A lower rate may be specified in orders when it is determined that such lower rate compensates the traveler for necessary expenses.	Same basis as for permanent change of station travel.	Same as State Department civil service employees.

		reimbursement is limited to per diem plus mileage at $0.09 per mile in the United States and $0.105 per mile outside the United States.			
Per diem in United States prorated by quarter days.[1]	Statutory maximum $25 per day. Less under certain conditions of travel and temporary duty.	Statutory maximum $25 per day. Less under certain conditions and when cost of living does not justify maximum rate.	Same as DOD employees	Actual expenses	Do.
Travel by surface common carrier.[1]	$25 for day of departure and arrival, $11.80 for other days.	Same	$25 per day maximum	do	$25 per day maximum.
Round trip travel of 10 hours or less—same calendar day.[2]	No per diem. Enlisted men reimbursed $3.10 per meal for meals necessarily procured, not to exceed 2.	No per diem except when travel period is 6 hours or more and begins before 0600 or terminates after 2000.	Same as DOD employees	do	Same as State Department civil service employees.
Government quarters available or utilized, Government mess not available.[2]	$11.80 per day. Increased by daily cost of quarters, not to exceed $2 per day.	$11.80 per day, plus reimbursement for charge paid for quarters, not to exceed $25 total.	Deduct 50 percent of applicable rate.	Nothing comparable	Do.
Government mess available; Government quarters not available.[2]	$19.20 per day—officers; $15.70 per day—enlisted men.	Deduct $1.90 for each meal, except when less than full day per diem, deduction is $1.15 per meal.	Deduct: 5 percent for breakfast; 10 percent for lunch; 20 percent for dinner.	do	Do.
Government quarters available; Government mess available.[2]	$5.50 per day—officers; $2 per day—enlisted men.	Use next 2 preceding items to arrive at amount of $6.10 ($11.80 minus $5.70).	Deduct 50 percent for quarters. Deduct 5–10–20 percent for meals.	do	Do.
Non-Government meals and/or quarters furnished incident to performance of temporary duty.[2]	$2.50 per day when both meals and quarters are furnished. $11.80 per day when only quarters are furnished. $15.70 per day when only meals are furnished.	When non-Government quarters are furnished free or at nominal cost, per diem is prescribed at less than legal maximum. for meals furnished without charge, deductions are made from per diem at rate of $3.10 for each free meal, except when less than full day per diem, deduction is $2.35 per meal.	Per diem rates to be authorized in such amounts as are justified by the circumstances.	Actual expense	Do.
Travel by Government vessel on inland or coastal waters of United States.[3]	No per diem payable. When meals and/or quarters are necessarily procured off the vessel, members may be reimbursed $3.10 for each meal, not to exceed 3 per day, plus actual cost of quarters, not to exceed $13.20 per day.	No per diem payable when aboard ship for the sole purpose of testing material or equipment. When traveling as a passenger, entitled to per diem at daily rate of: $2 when meals and quarters furnished without charge, $4 when required to pay for meals, $6 when required to pay for meals and quarters.	Such rate is authorized as is necessary to meet allowable expenses, not in excess of $25 per day.	Nothing comparable	Do.

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COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Travel by commercial vessel on inland or coastal waters of United States.[2]	$2.50 per day when cost of passage includes meals. $11.80 per day when cost of passage does not include meals. $11.80 on day of embarkation or debarkation pro rated for quarter days.	Same	$25 is maximum rate	Actual expense	Do.
Travel by commercial vessel outside the United States.[2]	$6 per day for 1st 9 calendar days. $2 per day for each additional day after 9. If these rates are insufficient, increase per diem to cover costs, not to exceed $9 per day.	$6 per day for 1st 9 calendar days. $2 per day for each additional day after 9. These rates may be increased, not to exceed $9 per day, when required by traveler's subsistence expense.	Same as DOD employees	do	Do.
Travel by U.S. Government vessel outside United States.[2]	No per diem except when member is charged for subsistence he will be paid per diem commensuarate with cost of meals.	No per diem when aboard ship for sole purpose of testing material or equipment. When traveling as passenger, entitled at rate of $2 when meals and quarters furnished without charge, $4 when required to pay for meals, $6 when required to pay for meals and quarters.	$6	Not applicable	Do.
Travel by aircraft or train outside the United States.[2]	$8 per day—not subject to deduction—may not be increased.	$6 per day—may be increased when not commensurate with subsistence expenses.	Same as DOD Employees	Actual expense (also see following item).	Do.
Per diem outside continental United States.[2]	Established rates are published in app. A of vol. 1, JTR. Lesser rates may not be administratively prescribed. Rates not prorated for fractional parts of a day.	Established rates are prescribed in app. C of vol. 2, JTR. Lesser rates may be administratively prescribed when justified by conditions at place of temporary duty. Rates are pro rated for fractional parts of a day.	Alaska, Hawaii, Puerto Rico, Canal Zone, territories or possessions—at rates prescribed in vol. 2, JTR. Foreign areas—rates prescribed by Secretary of State and published in standardized regulations (Government civilians, foreign areas).	Actual expense. On travel to and from overseas, allowed one stopover per 10 hours of scheduled flying time (or fraction thereof). When stopover is made, expenses reimbursed on per diem basis. ($27 for corporation queried).	Do.
Deduction from area per diem rate for Government quarters and mess.[2]	Government quarters furnished—deduct 50 percent of area rate, but reduce deduction by daily cost for quarters, not to exceed $2 per day. Government meals available to	Government quarters used—deduct 50 percent of area rate, but if charge is paid for quarters this amount is added to the net payable.	Meals or lodgings furnished without charge by U.S. Government agency—deduct 5–10–20 percent of area rate for meals and 50	Not applicable	Do.

	enlisted men—deduct 14 percent of area rate for each meal available. Government mess available to officers for at least 2 meals a day—deduct 42 percent of the area rate, then increase net per diem by $3.65 to cover cost of food in Government mess.	Government mess used—deduct 14 percent of area rate for each meal taken in Government mess. Per diem then increased by $1.15 for each meal so taken to cover cost.	percent for each nights lodging.		
Housing allowance outside United States.[1]	Rates prescribed in apps. A and B, vol. 1, JTR. Allowance is designed to supplement BAQ to enable member to meet higher housing costs outside United States. Allowance varies by areas by rank or grade and whether with or without dependents.	Living quarters allowance is granted to an employee for the annual cost of suitable living quarters for himself and family. Rates vary by location and according to salary and family size of the employee. Rates are designed to cover the average costs for rent, utilities, etc.	Same as DOD employees	The allowances paid employees in overseas areas for housing and as cost-of-living assistance are computed, for each assignment point, on a differential basis—over the normal housing and commodities and services spendable for U.S. domestic counterparts. The C. & S. allowance is obtained by applying the published cost-of-living index figures against the U.S. C. & S. spendable. The housing allowance is similarly computed as the difference between U.S. housing spendable and actual overseas housing cost up to a maximum figure maintained for each location. These allowances, naturally, vary greatly from place to place.	Do.
Cost-of-living allowance outside United States.[1]	Rates prescribed in apps. A and C of vol. 1, JTR. Allowance is designed to defray average excess costs-of-living outside United States as compared with costs for similar members in United States. Allowance varies by area, by rank and grade of member, and by number of dependents. Allowance is in addition to basic allowance for subsistence.	Post allowance is the deisgnation for cost-of-living allowance for civilian employees overseas. It is a balancing factor to permit employees to spend the same portion of his basic compensation for living costs as they would in Washington, D.C., without suffering a reduction in their standard of living because of higher living costs. It is a flat rate varying by basic salary, family size, and location of post of duty.	do	See under housing allowance outside United States next preceding item.	Do.

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COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Interim housing allowance at overseas duty station.[1]	Housing allowance at rate for member with dependents payable when member is required to secure family type non-Government housing prior to bringing dependents overseas. Terminates upon arrival of dependents but no later than 60 days after procurement of housing and commencement of allowance.	The head of the agency may grant the appropriate living quarters allowance at the with family rate when employee incurs expenses for family-type quarters in anticipation of arrival of family. Such rate will be appropriately revised if family does not arrive within 60 days after commencement of allowance.	----do----	No comparable allowance disclosed.	Do.
Temporary lodging allowance.[2]	An allowance to partially reimburse members for costs incurred in hotels and restuarants at oversea stations upon arrival, when required to reestablish household, and upon departure. Limited to 60 days upon arrival and 10 days upon departure, which periods may be extended. Computed as a percentage of the area per diem rate as follows: Member or 1 dependent 50 percent; member and 1 dependent or 2 dependents 100 percent; for each additional member of family over 2, add 25 percent. Allowances reduced for partial days, when meals are furnished or when otherwise appropriate.	An allowance to cover cost of accommodations in transient-type quarters at oversea posts upon arrival and preceding departure. May be granted for actual period accommodations are occupied, not to exceed 3 months on arrival and 1 month on departure. Allowance is for actual cost to the employee, not to exceed a maximum rate determined by post classification and number of family members multiplied by rates ranging from $1 to $21 per day, according to post classification, for members 11 years of age or over, and ½ such rates for members under 11 years. No part of the allowance is for subsistence expense. When employee with family incurs unusually heavy meal costs in hotels and restaurants during period for which	----do----	Allowed expenses of room, meals, and gratuities incurred by employees and immediate family for a reasonable period of time at new location while awaiting arrival of household effects and installation of utility services.	Do.

		temporary lodging allowance is payable, authorizing officers may grant supplementary post allowance for assistance in meeting such extraordinary costs.		
Special per diem allowances outside United States.	Allowances at rates prescribed in app. F, vol. 1, JTR, or by PDTATAC, when normal per diem is insufficient because of unusual or extraordinary requirements of the duty involved.	No special per diem for DOD employees. Paid actual expenses, not to exceed the overseas area rate plus $18.	----do---- Actual expenses	Do.
Expenses incurred in performance of temporary duty travel.	1. Transportation to and from carrier terminals. Allowed usual taxi and airport limousine fare, plus tips at 15 percent of fare.	1. Same	1. Same----do----	Do.
	2. Baggage transfer charges. Allowed, plus tips for handling (except at hotels unless for Government property).[1]	2. Baggage transfer charges allowed. Tips not allowed except for handling Government property.	2. Same as DOD employees	
	3. Special conveyance. Allow cost of hiring, plus expenses of operation.	3. Same	3. Same	
	4. Ferry fares, road, bridge, and tunnel tolls allowed when traveling by Government conveyance or special conveyance. Not allowed when traveling by privately owned conveyance and therefore, in receipt of monetary allowance in lieu of transportation at rate of $0.05 or $0.06 per mile.[1]	4. Ferry fares, road, bridge and tunnel tolls allowed in addition to mileage allowance when use of privately owned conveyance has been determined advantageous to the Government.	4. Same as DOD employees	
	5. Communication services—official telephone, telegraph, cable, etc., services allowed when itemized.	5. Same	5. Same	
	6. Parking fees—allowed only when incurred in connection with use of special or Government conveyance, or when privately owned conveyance is used for 1 round trip to and from carrier terminal at $0.07 per mile in connection with temporary duty travel (total payment not to exceed 2 one way taxi fares, plus tips).[1]	6. Parking fees—allowed in connection with use of special or Government conveyance, when privately owned conveyance is used for round trip to carrier terminal, subject to same limitation as military. Also entitled to parking fees when use of privately owned conveyance is authorized as advantageous to Government.	6. Same as DOD employees	

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Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	7. Passport and visa fees, including costs of photos and birth certificates, entry fees, boarding taxes and similar fees, and costs of travelers checks (in amounts not less than $100 nor more than estimated travel expenses) incident to travel to, from, or between stations outside United States.[1]	7. Same, except allowed cost of travelers checks purchased in connection with official travel outside the United States (no other limitations specified).	7. Same as DOD employees		
	8. Joint travel regulations, Vol. 1, contains no provisions for reimbursing the member for amounts expended by him in procuring these services.[1]	8. Necessary stenographic or typing services; rental of typewriters; clerical assistance; storage of property used on official business; rental of rooms for transaction of official business; steamer chairs; rugs and cushions; commission for conversion of currency.	8. Same as DOD employees		
Travel within and adjacent to permanent and temporary duty stations.	1. Use of privately owned conveyance—$0.11 per mile, plus reimbursement of ferry fares and bridge, road, and tunnel tolls. Payable only to member defraying the expenses of operating the conveyance. Use must be authorized or approved as advantageous to the Government.[1]	1. Use of privately owned conveyance—$0.06 per mile for motorcycle; $0.11 per mile for automobile, plus ferry fares and bridge, road and tunnel tolls and parking fees. Payable only to employee responsible for paying the operating expenses. Must be authorized or approved as advantageous to Government.	1. When advantageous to the Government, use of privately owned vehicle in conduct of official business may be authorized at the rate of $0.08 per mile for motorcycle and $0.12 per mile for automobile. A lower rate may be specified. Ferry fares, bridge, road and tunnel tolls may also be authorized.	Actual expense	Do.

	2. Common carrier fares, taxicab fares (including customary tips), hire and operation of special conveyance—reimbursable when use is authorized or approved.	2. Same. Use of special conveyance must be authorized or approved as advantageous to the Government.	2. Same as DOD employees		
Transportation of dependents.	1. Definition of dependent—Term includes member's spouse (female member's spouse only when he is dependent on her for over ½ of his support), unmarried children under 21 or incapable of self-support because of mental or physical incapacity (unmarried children who reach 21 overseas may be transported between overseas station and returned to United States), member's parents who are in fact dependent on the member for over ½ of their support.[1]	1. Definition—Term includes employee's spouse, unmarried children under 21 or incapable of self-support because of mental or physical incapacity, dependent parents of employees and employee's spouse who are in fact dependent for over ½ of their support. Entitlement for a child terminates upon attaining age 21, except travel for purposes of attending school, or if child becomes 21 while employee is assigned to duty overseas.	1. Same as DOD employee	1. Reimbursed on actual expense basis. On travel to and from overseas, 1 stop over is allowed per 10 hours of scheduled flying time (or fraction thereof). When stopover is actually made, expenses reimbursed on per diem basis ($27 for wife unaccompanied by husband $22 for wife accompanied by husband and each child 12 years and over; $19 each child 5 to 12; $14 each child under 5; per corporation queried).	1. Entitled to transportation of dependents family. In addition to those included for State Department civil service employees, family includes brothers and sisters if under 21, dependent for at least 51 percent of support and unmarried.
	2. Transportation in kind—dependents may be furnished transportation via Government aircraft or vessel, or transportation requests or tickets for use on commercial carriers, regardless of the number of dependents.	2. Same	2. Same		2. Same as State Department civil service employee.
	3. Reimbursement for actual cost of transportation for overland travel the member may be reimbursed actual costs of commercial transportation authorized and used or receive monetary allowance in lieu thereof. For transoceanic travel the member may be reimbursed cost of transportation used, not to exceed cost of available Government or commercial transportation, as applicable.	3. Generally, transportation will be obtained by transportation requests furnished the dependents. When T/R's are not available, authorized transportation and accommodations may be paid for by the traveler and a claim filed for reimbursement.	3. Same as DOD employee		3. Same as State Department civil service employee.

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Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	4. Monetary allowance for travel performed at personal expense (except transoceanic travel) the member may receive monetary allowance for the official distance between authorized points at the rate of:[1] (a) $0.06 per mile for each dependent 12 years of age or over, not to exceed 2 such dependents and $0.03 per mile for each additional dependent 12 years of age or over. (b) $0.03 per mile for each dependent 5 years or over but under 12. In no event will the amount payable for all dependents exceed $0.18 per mile.	4. When change of permanent duty station travel is performed by dependents, with the employee or separately, by privately owned automobile, mileage allowance is authorized as follows: (a) $0.06 per mile when member or 1 dependent occupies automobile. (b) $0.08 per mile when employee and 1 dependent or 2 dependents occupy automobile. (c) $0.10 per mile when employee and 2 dependents or 3 dependents occupy auto. (d) $0.12 per mile when employee and 3 or more dependents or 4 or more dependents occupy auto. When use of more than 1 privately owned automobile (or the same automobile for more than 1 trip) is authorized, the mileage allowance is authorized for each auto-	4. Same as DOD employee		4. When determined to be advantageous to the Government, use of privately owned conveyance may be authorized on a mileage basis—not to exceed 8 cents for motorcycle and 12 cents for auto or airplane. When use not determined to be advantageous, reimbursement on mileage basis may not exceed commercial air and/or surface costs.

5. Reimbursable expenses—when dependents are furnished transportation in kind, or the member is reimbursed the cost of transportation, reimbursement may be made for expenses incurred in such travel as follows: [1] (a) Taxi, bus, streetcar, subway, etc., to, from, and between carrier terminals. (b) Tips to pullman porters, etc. ($1 per day) baggage handling, taxi, etc. (c) Checking and transfer of baggage. (d) Passport and visa fees, including costs of photos and birth certificates. (e) Entry fees, port taxes, embarkation and debarkation fees, etc., not included in cost of ticket. (f) Costs of traveler's checks. (g) Tips to stewards and other attendants aboard ship, not to exceed daily rate of: $5 with 1 dependent; $9 with 2 dependents; $13 with 3 dependents; $16 with 4 dependents; $18 with 5 dependents; $20 with 6 dependents; $22 with 7 dependents; $24 with 8 or more dependents.	mobile or each trip, except that repeat travel by an individual may not be considered in determining the mileage rate applicable to the 2d trip. 5. Travel and transportation expenses of dependents, when authorized or approved, may be reimbursed for items as follows: (a) Taxi fares to, from, and between, carrier terminals. (b) Baggage handling charges, including porters' fees and tips. (c) Commissions for conversion of currency, exchange fees for cashing checks or drafts covering travel expenses in foreign countries. (d) Costs of travelers' checks in connection with travel outside continental United States. (e) Passport and visa fees, including costs of photos and birth certificates.	5. Same as DOD employees	5. Same as State Department civil service employees.

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Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	6. Per diem for dependents while traveling—not authorized except incident to evacuation from an overseas area, in which case per diem is payable for dependents 11 years and over at the rate payable to officer members traveling on official duty and for dependents under 11, at ½ such rate. For 30 days after arrival at a safe haven overseas the area per diem rate is payable for dependents 11 years and over and ½ such rate for dependents under 11. Per diem may be continued for not to exceed 150 additional days at 60 percent of the rate payable during the 1st 30 days. When dependents are evacuated to a designated place in the United States, the rate will be $25 or $12.50 per dependent, depending on age. When Government quarters are occupied outside United States, the rate will be that of officers in TDY at that place. When Government quarters occuped in United States, the rate will be $11.80 plus any service charge paid.[1] When Government quarters are occupied at a designated place in Hawaii, Alaska, Puerto Rico, or a territory or possesion of the United States, the rate will be 50 percent of the area rate, plus the amount of any service charge paid.	6. Per diem for dependents—entitled incident to transfer, not to exceed amount authorized between old and new duty station. Rates payable for dependents are as follows: (a) Dependent spouse accompanied by employee—maximum allowalble is ¾ of the rate to which employee is entitled. Minimum rate is $6, unless employee receives a rate of less than $6, in which case spouse receives same as employee. (b) Spouse unaccompanied by employee—maximum allowable is rate to which the employee would have been entitled had they traveled together. (c) Each dependent other than spouse—dependents 12 or over, ¾ employee rate, under 12, ½ employee rate. Minimum rate is $6 unless employee rate is	6. Same as DOD employees		6. For dependents performing authorized travel—entitled to per diem at same rate as employee. For children under 11—½ such rate. (Maximum $25 in United States; prescribed area rate outside United States.) Lower than maximum rates may be prescribed.

		less than $6 in which case employee rate prevails. Incident to evacuation, dependents may be paid same per diem as applicable to employee, except dependents under 11, when rate is ½ the per diem rate. Paid while traveling and for 30 days (after arrival at safe haven. After 30 days,) allowance computed at 60 percent of per diem rates. Terminates upon determination of competent authority, but in any case may not exceed 180 days after evacuation. The authorizing officer may prescribe a lower rate more in line with necessary living expenses.			
Transportation of household goods and personal effects.	1. Permanent change of station weight allowance, with or without dependents: [1] Rank or grade and weight allowance O–10, *24,000 O–9, *18,000 O–8, *14,500 O–7, 13,500 O–6, 13,500 O–5, 13,000 O–4, W–4, 12,000 O–3, W–3, 11,000 O–2, W–2, 10,000 O–1, W–1, 9,500 E–9, 9,500 E–8, 9,000 E–7, 8,500 E–6, 8,000 E–5, E–4 (over 4 years), 7,000 E–4 (over 2 but obligated for 6), 7,000 Aviation cadet, 400 *Annual appropriation acts limit to 13,500 lbs. (Armed services only—not applicable to Coast Guard, Public Health, or ESSA).	1. Weight allowance for permanent change of station, including shipment to first duty station when appointed to manpower shortage positions— Employee with dependents..... 11,000 Employee without dependents..... *5,000 These are maximum weight allowances; lesser weights may be administratively prescribed—most commonly in connection with overseas duty. *May be increased to not in excess of 11,000 pounds under certain circumstances, as when employee has household goods acquired while he was head of a larger household.	1. Same as DOD employees.....	1. Full cost of shipment of all kinds of articles and possessions usual in average households and in quantities reasonable in relation to the size of the family. Certain items of unusual size, weight or value may be excluded, as may be foodstuffs or items subject to Governmental import restrictions. Storage en route or at destination allowed when required, normally for not more than 30 days.	1. Combined shipment and storage* (travel of family). Chief of Mission, Career Ambassador..... Authorized 16,000 (pounds) Not authorized 12,000 (pounds) Career Minister, FSO/R..... 12,000 7,200 FS101–3, FSS–1... FSO/R, FS104–6, FSS2–5..... 10,000 6,000 FSO/R, FS10 7–8, FSS 6–8..... 7,500 4,800 FSS–9–10..... 4,000 3,000 Additional for each dependent over 2 in number..... 500 ..... *Lesser amounts may be authorized

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Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	2. Temporary change of station weight allowance, with or without dependents: [1] [2]	2. No provision for temporary change of station shipment of household goods for civilian employees of DOD.	2. Same as DOD employees		2. Limited shipment* (travel of family).

Rank or grade	Weight allowance
O–10	2,000
O–9	1,500
O–8	1,000
O–7	1,000
O–6	800
O–5	800
O–4, W–4	800
O–3, W–3	600
O–2, W–2	600
O–1, W–1	600
E–9	500
E–8	400
E–7	400
E–6	400
E–5, E–4 (over 4 yrs.)	400
E–4 (over 2 but obligated for 6)	400
Aviation cadet	400

	Authorized	Not authorized
a	12,000	9,000
b	4,200	2,400
c	3,600	2,400
d	3,000	1,800
e	1,800	1,200
Additional for each dependent over 2 in number	150	----

*When adequately furnished quarters are to be occupied.

	3. Responsibility for shipment—Within the authorized weight allowance, shipment of household goods ordinarily will be made through a shipping or transportation officer. Generally, a member who arranges for shipment of his household goods at personal expense is entitled to reimbursement of cost of shipment, not to exceed cost to Government for shipment by shipping or transportation officer.[1]	3. Responsibility for shipment—Ordinarily, an employee makes his own arrangements for transporting his household goods between points within the continental United States, and is reimbursed in accordance with schedules of commuted rates published in JTR, vol. 2, app. A. Transportation (officers may ship employees' household	3. Same as DOD employees		3. Same as State civil service employees.

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	goods on Government bills of lading when it is determined that substantial savings will accrue to Government by such method.		
4. Storage—Temporary storage may be authorized at Government expense for 90 days in connection with shipment of permanent change of station weight allowance. Storage for an additional 90 days may be authorized under certain unusual circumstances.[1]	4. Storage—Temporary storage of household goods may be authorized or approved for a period of not to exceed 60 days. Reimbursement is on a commuted rate basis, not to exceed the amount actually paid by employee. When an employee returns from overseas for leave between overseas tours of duty, household goods left overseas may be stored for not to exceed 90 days under certain circumstances.	4. Same as DOD employees	4. From date of departure from old station to include not over 3 months from date of arrival at post or from date of establishment of residence, whichever is shorter.
Nontemporary storage—may be authorized for all or part of a member's authorized weight allowance for varying periods of time under various circumstances specified in the regulations. In addition, such storage as an alternative to shipment may be authorized when in the best interests of the Government.	Incident to assignment to an isolated duty station, nontemporary storage may be authorized for 1 year, which may be extended, as necessary, for not to exceed a total of three years. When all or part of an employee's household goods are not required at an overseas permanent duty station, they may be placed in nontemporary storage for a period of not to exceed the length of the overseas tour. Such storage may be authorized for subsequent overseas service or tours. Additional time of 1 month before, and up to almost 2 months after the tour may be authorized. To avoid inequity, the overseas command may extend such latter period.		Known as "continuing storage"—authorized when employee is unable to take all or part of his effects, or when it is determined to be in the public interest, as when furnished or partially furnished quarters are available.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Dislocation allowance	1. Purpose—To partially reimburse a member for expenses of relocating his household upon a permanent change of station.[1]	1. Called miscellaneous expense allowance, this allowance is for the purpose of defraying various costs associated with relocating a residence incident to permanent change of station.	1. Same as DOD employees	1. On domestic transfer within the United States or returning from overseas to the United States, the employee receives a flat resettlement allowance in the amount of ¾ of 1 month's salary. On transfers to overseas locations the allowance is paid in the amount of 1 month's salary.	1. See "Foreign Transfer Allowance" and "Home Service Transfer Allowance," p. 21.
	2. Rate—The amount payable is an amount equal to the applicable monthly rate of BAQ for the member on the effective date of permanent change-of-station orders, as follows: Members with dependents: O–7 through O–10 $288.00 O–6 258.30 O–5 238.80 O–4 215.40 O–3 195.60 O–2 175.80 O–1 141.60 W–4 207.90 W–3 191.70 W–2 173.70 W–1 160.80 E–9 184.20 E–8 172.20 E–7 161.40 E–6 150.00 E–5 138.60 E–4 (over 4 years service) 121.50 E–4 (4 years or less) 121.50 E–3 105.00 E–2 105.00 E–1 105.00	2. Amount allowable: (a) Minimum: $100 or equivalent of 1 week's basic pay, whichever is less, for an employee without dependents; $200 or equivalent of 2 week's basic pay, whichever is less, for an employee with dependents; No receipts or itemization required to support payment of the minimum amount. (b) Maximum: An amount not to exceed the employee's basic salary for 1 week if without dependents; an amount not to exceed the employee's basic			

	Members without dependents: O–7 through O–10 $230.40 O–6 211.80 O–6 211.80 O–5 198.30 O–4 178.80 O–3 158.40 O–2 138.60 O–1 108.90 W–4 172.50 W–3 155.40 W–2 137.10 W–1 123.90 E–9 130.80 E–8 122.10 E–7 104.70 E–6 95.70 E–5 92.70 E–4 (over 4 years service) 81.60 E–4 (4 years or less) 81.60 E–3 72.30 E–2 63.90 E–1 60.00 Joint Travel Regulation, vol. 1, does not require a showing of actual expenditures to support payment of the allowance. Allowance not payable in advance except when incident to an evacuation of dependents. Not payable for more than 1 change of station per fiscal year except under specified conditions.				
Trailer allowance	1. Entitlement—In lieu of both dislocation allowance and transportation of baggage and household effects, trailers may be transported at Government expense, upon permanent change of station, within the continental United States, within Alaska and between continental United States and Alaska.[1] 2. Eligibility—extends from O–10 to E–4 with over 2 years service but with obligated active service sufficient to increase total active service to 6 years or more.	1. Entitlement is in lieu of shipment of household goods. Upon permanent change of station trailer may be transported at Government expense within the United States, within Alaska, and between the United States and Alaska. 2. Any employee entitled to shipment of household goods is entitled to transportation house trailer in lieu thereof.	1. Same as DOD employees	1. House trailers not moved at company expense.	1. House trailers not transported overseas at Government expense.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	3. Means of shipment and cost limitation— (a) Transportation officers may arrange for transportation of trailers by Government or commercial means. Costs in excess of $0.74 per mile will be borne by the member. (b) Under unusual circumstances, and in accordance with service regulations, the member may arrange for commercial transportation of his trailer and be reimbursed the actual costs incurred, not to exceed $0.74 per mile. (c) A member who otherwise personally arranges for transportation of his trailer, including self-haul, is entitled to monetary allowance at the rate of $0.11 per mile.	3. The employee is responsible for making all arrangement for movement of his trailer: (a) By commercial transporter—allowed actual transportation charges and ferry fares, bridge, road, and tunnel tolls, taxes, charges, and fees. (b) By other means, including self-haul—allowed $0.11 per mile to cover all expenses. (c) Limitation on reimbursement—In neither (a) nor (b) will reimbursement exceed the constructive cost of shipping the employee's maximum weight of household goods plus 60 days temporary storage.			
Transportation of privately owned motor vehicle.	1. Entitlement—covers shipment of 1 privately owned passenger carrying motor vehicle between United States and overseas ports incident to permanent change of station; to or from an overseas area, and between U.S. ports incident to changes in home yards and home ports. When shipment to new station is restricted or prohibited, shipment	1. Entitlement essentially the same as for military except no authority for shipment between U.S. ports under any conditions.	1. Same as DOD employees.....	1. On domestic transfers the company will ship 1 automobile (or have it driven by bonded driver) to new location. The Company does not normally ship employees' automobiles to overseas areas. It will, however, partially reimburse forced sale loss on a U.S. car (measured in	1. Same as State civil service generally. Transported to post of assignment by water, rail or air when old and not connected by all-weather highway.

to some other port is authorized, as appropriate.		terms of NADA retail values.) It also provides local purchase assistance in assignment areas overseas where purchase price of an approved type of car exceeds U.S. purchase price for basic transportation units. A proportional equity is retained by the Company in these cases against later resale of the car.	
2. Eligibility—Extends from O–10 to E–4 with over 2 years service but with obligated active service sufficient to increase total active service to 6 years or more. Vehicle must be owned by the member and for his use or the use of his dependents.[2]	2. All employees eligible for transportation of POV when it is specifically determined that it is in the interest of the Government for the employee to have the use of the vehicle at his permanent duty station.		2. All employees eligible when transportation determined to be necessary or expedient.
3. Shipment—Must be via Government-owned or Government-procured American-flag facilities, or Government procured foreign-flag facilities when the former are not available. Government responsibility includes care and storage for reasonable period after arrival. Land transportation is not included in shipment except when the vehicle may be transported to a designated place under the Missing Persons Act.	3. Shipment essentially the same as for military.		3. Same as State civil service except commercial shipment is authorized. Reimbursed mileage to point of delivery and from pickup to post and cost of commercial transportation from delivery point or to pickup point.
4. Replacement—When the motor vehicle is lost or destroyed through no fault of the member, the Secretary of the service concerned or his designated representative may authorize shipment of a replacement vehicle when determined to be in the best interest of the United States.[1 2]	4. Replacement— (a) Periodic—may ship a replacement every 4 years when determined use of replacement is in interest of Government and employee has been stationed outside United States during such 4-year period. (b) Emergency—may ship within less than 4 years when POV destroyed or lost and replacement is in interest of the Government.		4. Entitled to periodic and/or emergency replacement.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Evacuation allowance	1. Advance of pay—not in excess of 2 month's basic pay may be advanced to evacuated dependents in one or more installments. The Service Secretary may waive recovery of not more than 1 month's advance of pay when such recovery would be against equity and good conscience.[1]	1. Advance of pay—may cover a period of not to exceed 30 days or such lesser period as may be determined. Advance based on pay plus allowances and post differential to which employee entitled immediately prior to evacuation. Recovery may be waived by the head of the agency when recovery would be against equity and good conscience.	Same as DOD employees	No comparable allowances	Same as State civil service.
	2. Family separation allowance—Type I—applies when member must maintain residence for his family and for himself. It is a monthly amount equal to BAQ for a member without dependents in the same pay grade.	2. Special allowances—paid to evacuated employees to offset any direct added expenses caused by his evacuation or the evacuation of his dependents. (For computation of the amounts payable, see under "Transportation of dependents" item No. 6).			
	Type II—for added expenses caused by family separation. Amount payable is $30 per month. Limited to grade E–4 (over 4 years service) and higher grades.				
	3. Dislocation allowance—When command sponsored dependents are evacuated to a designated place, dislocation allowance is payable to a designated dependent. (The prohibition against advance payment or more than 1 payment per fiscal year is not operative in such a case.)	3. Nothing comparable for civilians incident to evacuation.	----------		
	4. Transportation of Dependents—It is intended to provide for necessary relocation incident to evacuation. Command sponsored dependents will be transported to safe haven location and/or thence to designated place of residence.	4. Dependents may be evacuated from 1 overseas station to another or to the United States. Movement may be later authorized from such place to a subsequently assigned duty	----------		

They will be returned to overseas duty station only if at least 12 months remain in the member's overseas tour after return of dependents from a designated place. Individual sponsored dependents will be transported from duty station to safe haven or designated place. They will be returned to duty station only from safe haven located outside the United States.	station. Entitlements noted under "Transportation of dependents" are for application.	
5. Transportation of household goods— (a) Shipment or storage goods may be placed in nontemporary storage, shipped to designated place for storage or for use by dependents or next of kin. (b) Weight allowance—Shipment of permanent change-of-station weight allowance is authorized (see "Transportation of household goods and personal effects"). Members without an authorized weight to ship not more than 7,000 pounds net weight to places indicated, except that nontemporary storage is not authorized. (c) Subsequent entitlement—Household goods may be subsequently shipped to a designated place, to nontemporary storage, or to the member's duty station, provided that at least 12 months remain in his overseas tour after arrival of household goods at an overseas station. Member without authorized allowance will be entitled to shipment from safe haven location to duty station, not from designated place to duty station.	5. Transportation of household goods—Employee's authorized weight allowance of household goods may be moved to the same location designated for movement of dependents. When determined necessary and practicable, household goods may be later moved to permanent duty station to which evacuated employee is assigned.	----------

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
	6 Transportation of privately owned vehicle—Competent authority may authorize transportation (including overland transportation) of 1 motor vehicle owned by the member to a designated place for his use or the use of his dependents. When command sponsored dependents are authorized to rejoin the member, return transportation of the vehicle to his duty station is authorized.	6. Transportation of privately owned vehicle—When an employee or his dependents are evacuated from a duty station outside the United States, expense of emergency storage of his motor vehicle may be authorized provided the vehicle was originally transported to the duty station for use "in the interest of the Government." The vehicle may be stored at the place to which dependents and household goods are evacuated or at another suitable place not more distant from the evacuation area. Allowable expenses include storage, readying for storage, transportation expenses to and from storage, but not insurance on the vehicle while in storage.	----------	----------	----------
	7. Station allowances— (a) Member with dependents—will be entitled to housing allowance at the with dependents rate as long as he continues to maintain family-type quarters (not to exceed 6 months) while dependents are at a safe haven location. The member will be directed to terminate family-type quarters and allowance	7. Station Allowances— (a) Post and supplementary post allowances—when employee and family are evacuated, allowances are terminated; when only family is evacuated, post allowance is reduced to the without family rate and supple-	----------	----------	----------

	at the with dependents rate will terminate when dependents are returned to a designated place in the United States or when it becomes apparent that the return of dependents from the safe haven within 6 months is not likely. Cost-of-living allowances as a member with dependents will terminate when dependents are evacuated. Member will then be considered a member without dependents until they return. (b) Member without dependents will be entitled to housing allowance as long as he maintains his commercial quarters, even though he may be required to occupy Government quarters.	mentary post allowance is terminated. (b) Temporary lodging allowance—When employee and family are evacuated, allowance is terminated; when only family is evacuated, such allowance at the with family rate may be continued provided early return of the family anticipated. (c) Living quarters allowance—When employee and family are evacuated, allowance is terminated unless employee is required to maintain and pay for quarters at the post or lease cannot be terminated; when only family is evacuated, such allowance at the with family rate may be continued for not to exceed 6 months. (d) Education allowance not paid to DOD civilian employees). (e) Post differential—When employee is evacuated differential is terminated.
8. Per diem allowance for dependents (see item 6 under "Transportation of dependents").		8. Per diem for dependents—Called special allowances for civilian dependents (see item 6 under "Transportation of Dependents").

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Foreign post differential.	No comparable allowance for military.[1]	Post differential is additional compensation provided for employees for services at places involving extraordinarily difficult living conditions, excessive physical hardship, or notably unhealthful conditions. It is computed at the rate of 0, 10, 15, 20, or 25 percent over basic compensation of the employee depending on the post.	Same as DOD employees.	See item Housing allowance outside United States.	Do.
Foreign transfer allowance.	No comparable allowance for military. (See "Dislocation allowance").[1 2]	Not payable to civilian employees of DOD. (See "Dislocation allowance").	An allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at any post of assignment in a foreign area. Amount of payment varies as follows: 1. Employee without family, $75. 2. Employee and 1 member of family, $125. 3. Employee and more than 1 member of family, $175.	See item "Dislocation allowance" which appears similar.	Do.
Home service transfer allowance.	No comparable allowance for military.[1 2]	Not payable to civilian employees of DOD.	An allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at a post of assignment in the United States between assignments to post in foreign areas. Allowance is divided into two portions, as follows: (a) Transfer portion— 1. Employee with-	No comparable allowance reported under this specific heading.	Do.

			out family, $75. 2. Employee and one member of family, $125. 3. Employee and more than 1 member of family, $175. (b) Temporary lodging portion, daily— 1. Initial occupant, $12. 2. 2d occupant, $9. 3. Each other member of family, $6. Temporary lodging portion covers room costs in hotels etc., excluding meals and tips. The amount paid is either the employee's daily expenses for allowable items or the maximum stated, whichever is less. Allowed for period temporary lodgings are occupied, not to exceed 30 days.		
Separate maintenance allowance.	For military members an allowance known as family separation allowance. Type I applies when member must maintain residence for his family and for himself. It is a monthly amount equal to BAQ for a member without dependents in the same pay grade. [1] Type II—for added expenses caused by family separation. Amount payable is $30 per mo. Limited to grade E–4 (over 4 years service) and higher grades.	Not paid to DOD civilian employees except under exceptional circumstances fully justified and with prior approval of the Assistant Secretary of Defense (Manpower and Reserve Affairs). Unless an exception is specifically provided in such approval, the allowance, when approved, will be paid only when family is maintained outside the country of employee's assignment.	An allowance to assist an employee in meeting the additional expense of maintaining his dependents elsewhere than at his post of duty when, because of dangerous, notably unhealthful, or excessively adverse living conditions at such post, or for the convenience of the Government, they are prohibited from living at such post. The head of the agency will determine when such allowance is warranted. Payment is on an annual rate basis, as follows: (a) 1 child only, $1,350. (b) 2 or more children, $2,400. (c) 1 adult only, $2,700. (d) 1 adult and 1 additional dependent, $3,200. (e) 1 adult and 2 or 3 additional dependents, $3,700. (f) 1 adult and 4 or more additional dependents, $4,300.	No comparable allowance.....	Do.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Education allowance..	DOD sends dependent to our schools or it	Not payable to civilian employees of DOD.	An allowance to assist in defraying costs necessary to obtain elementary and secondary educational service ordinarily provided without charge by public schools in the United States, plus room and board and periodic transportation when required to obtain schooling away from post of duty. Rates are prescribed according to the post, school grade, and educational facility selected, and are designed as for school at post, school away from post, and home study. The allowance is granted on a school year basis and may vary from 0 (for example Canada) to $4,250 (for example Laos). The officer designated to authorize allowances is required to authorize smaller than maximum amount when he determines employee's expenses for education so justify.	---- do----------	Do.
Educational travel expense allowance.	Not prescribed for military dependents. (May be furnished "space available" transportation to and from schools).[1,2]	Paid within DOD to employees stationed in foreign areas and Canal zone, except that in connection with secondary education it will be paid only when nearest DOD operated	Allowed 1 trip each way from and to overseas post incident to secondary education (high school) and college education. Allowed expenses may include actual expenses	---- do----------	Do.

		or contracted secondary school is too far away for daily commuting. Transportation expenses, travel per diem, and baggage charges may be allowed.	of transportation, travel per diem, and cost of transporting unaccompanied personal baggage.		
Representation allowances.	Authorized only for specifically designated positions in DOD listing, requiring incumbent to be general or flag officers—(O–10 to O–8 inclusive shown on list).[2]	Authorized only for DOD civilians whose positions are specifically designated by Secretary of Defense as eligible. Required to be of a rank equivalent to general or flag rank in military service.	Provides reimbursement or payment for expenses incurred in furthering the interests of the United States abroad. Expenses may include entertainment, tips and gratuities where customary, purchase of flowers, wreaths etc., where appropriate, or other expenses authorized by head of agency. Paid by voucher supported by receipts for items over $10. (employee's certificate where impracticable to obtain receipts).	-- --do----------	Do.
Official residence expenses.	In general, a position occupied by O–10 is designated as representational. However, see col. 4 re: "principal representative" requirements.[1 3]	See col. 4 re "principal representatives." Same considerations apply.	Allowed only for principal representatives of United States in foreign countries who have been designated by Secretary of State as occupying positions of such importance that Government should defray unusual expenses of operating and maintaining an official residence. May include cost of servants, household operation and maintanance, and expendable household supplies. Principal representatives must themselves bear annual usual household expenses in certain specified amounts ranging from $2,000 for the chief of a class 1 mission to $900 for FSO–FSR 4 and below, FSS2 and below and GS–13 and below.	---- do----------	Do.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil service employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Travel to seek permanent residence.	Not authorized for military members.[1]	When determined by the order issuing authority that such travel is necessary, the employee and/or his spouse may be authorized one round trip at Government expense to seek permanent residence quarters at new duty station. Per diem at appropriate rates for employee and spouse, transportation costs and other travel expenses may be allowed. The round trip, including traveltime, may not exceed 6 days.	Same as DOD employees	On domestic transfer, the employee may be reimbursed for transportation and living expenses for an advance home search trip to new job site for himself and wife. (Usually limited to not more than 3 days).	No entitlement.
Temporary quarters subsistence expenses.	No comparable allowance for military members or dependents.[1]	When, incident to a permanent change of station, an employee and/or his dependents occupy temporary quarters, he may be reimbursed the costs of meals, lodging, fees, and tips incident thereto, laundry, cleaning and pressing for the period of occupancy of temporary quarters, but not to exceed 30 days, except when transfer is to or from	do	Full living expenses are reimbursed to transferred employees at new location for up to thirty days while they are arranging for, or waiting to move into new accommodations.	Do.

		Hawaii, Alaska, the territories and possessions of the United States, Puerto Rico or the Canal Zone, such expenses may be authorized or approved for an additional period of not to exceed 30 days. Reimbursement will be only for actual expenses incurred, provided they are reasonable and supported by receipts or other prescribed documentation. The amount allowed will be the lesser of either the actual allowable expenses incurred each 10 day period or an amount computed as follows: (a) 1st 10 days (per day) employee—$18.75, each dependent $12.50. (b) 2d 10 days (per day) employee—$12.50, each dependent $8.32. (c) 3d 10 days and any portion of the additional 30 day period (per day)—employee, $9.37, each dependent $6.25.		
Miscellaneous expenses allowance incident to relocation of household.	See "Dislocation allowance" [1]	See "Dislocation allowance"	See "Dislocation allowance"	Same as State civil service "Foreign transfer allowance" and Home service transfer allowance, p. 21.

Footnotes at end of table, p. 649.

COMPARISON TABLE TRAVEL AND TRANSPORTATION ALLOWANCES OF UNIFORMED SERVICE PERSONNEL, DOD CIVILIAN EMPLOYEES, STATE DEPARTMENT CIVIL SERVICE EMPLOYEES, STATE DEPARTMENT FOREIGN SERVICE PERSONNEL AND TYPICAL PRIVATE INDUSTRY EMPLOYEES—Continued

Allowance item or circumstances of travel	Military members	DOD civil serfice employees	State Department civil service employees	Employees of typical private industry	State Department, Foreign Service
Allowances for expenses incurred in connection with real estate transactions and unexpired lease.	No comparable allowance for military members.[1]	An employee transferred on a permanent change of station will be entitled to reimbursement for expenses required to be paid by him in connection with the sale of his old residence and purchase of a new residence, or in connection with settlement of an unexpired lease, provided the old and new duty stations are located within the United States, Puerto Rico, or Canal Zone, and provided settlement for sale and purchase of lease termination, is not later than 1 year after employee reports for duty at new station. (Time may be extended in case of litigation.) The following expenses may be allowed in connection with sale and purchase of a residence when usual and customary: (a) Broker's fee or real estate commission incident to sale. (b) Other advertising and selling expenses, including customary	Same as DOD employees.....	Employees being transferred—involving a change in residence—are given the opportunity to sell their homes to the company at 100 percent of appraised fair market value under our company home sale agreement program. The company will also reimburse the employee for reasonable and unavoidable expenses incurred in disposing of rented housing—i.e., deposits forfeited, lease cancellation costs, etc. The company also reimburses normal transaction costs (legal fees, bank service charges, etc.) in connection with purchasing a house at new location. The foregoing applies to transactions in the United States only. Our policies overseas are premised upon the employee renting rather than purchasing his housing.	No entitlement.

costs of appraisal.
(c) Costs for title search, preparing conveyances and contracts, surveys and plats, notary and recording fees, etc.
(d) Financing costs such as fees for loan applications, credit reports, revenue stamps, etc.
(e) Other expenses customarily paid by seller or buyer.

The aggregate amount of expenses reimbursed in connection with sale of residence shall not exceed 10 percent of sale price or $5,000, whichever is smaller, and in connection with purchase shall not exceed 5 percent of purchase price or $2,500, whichever is smaller.

Expenses of settling unexpired lease are reimbursable when terms of lease provide for payment, such costs cannot be avoided by subleasing and employee has not contributed to cost by failing to give timely notice of intention to vacate.

[1] Denotes change in law required.
[2] Denotes change in policy required.

Note: Changes in law or policy requires changes in regulations which, in turn, require legal clearance.

Footnotes 1 and 2 indicate action required to achieve absolute equality in entitlement between the various types of DOD personnel. Usually, similar action is required to achieve equality among other types of personnel.

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Question 10. Does the Department of State keep track of the number of times classified material is leaked and appears in the press—including leaks by the White House and other agencies? Do you know how many times there has been an investigation within the last year of State Department personnel concerning a leak of classified material?

Answer. Yes, the Department of State does maintain a record of possible leaks of classified material that appear in the news media. This action is restricted only to the Department's material and generally does not include "leaks by the White House or other agencies". Records reflect that during the past year 15 inquiries of this nature were conducted by the Department of State.

Question 11. What is the process for obtaining the Department's or Executive Branch views on legislation referred to it by the Committee on Foreign relations? Why does it take so long to obtain Executive Branch or Department comments on legislation? For example, it took eight months to get comments on S. 596, six months on S. 2224, six months on S. Con. Res. 27, and so on. Are legislative items referred to the Department for comment ever considered within the National Security Council system? What can be done to speed up the reporting process?

Answer. What is the process for obtaining the Department's or Executive Branch views on legislation referred to it by the Committee on Foreign Relations? Why does it take so long to obtain Executive Branch or Department comments on legislation? For example, it took eight months to get comments on S. 596, six months on S. 224, six months on S. Con. Res. 27, and so on. Are legislative items referred to the Department for comment ever considered within the National Security Council system? What can be done to speed up the reporting process?

When a request from the Committee for views on legislative proposals is received, it is referred to the appropriate office in the Department with a request that a draft reply be ready within ten days for submission to the Office of Management and Budget in accordance with the provisions of OMB Circular A–19. Because of the complex nature of many legislative proposals, delays in the Department do occur. However, in a large number of instances a report is ready for submission to OMB for review within a month.

Once a report is received in OMB, it may be sent to other interested agencies for their views, normally with a 30-day deadline. If another Department or agency proposes revisions in the Department's report, OMB will communicate such revisions to the Department for further consideration. This process is further complicated, in a number of instances, by the fact that events may overtake the report, thereby requiring further revisions. After appropriate revisions are made in the report, it is cleared for submission to the Committee.

With respect to the question as to whether legislative items referred to the Department are considered within the NSC system, there are, I am sure, a number of occasions when Departmental officials considering major proposals consult with their NSC counterparts in drafting their recommendation. It is understood that OMB in advising as to the relationship of legislation to the program of the President frequently refers proposed Departmental reports to the NSC for their comment.

As for ways to speed up the reporting process, the Department and OMB are aware of the problem and are striving to reduce the time required. Since the volume of requests for reports from committees in both houses of Congress is very heavy, it would be most helpful if the Committee could indicate bills and reports which should be given priority treatment. In this connection, the Department believes that, in virtually every instance where the Committee has given advance notice of hearings on a particular bill, the report has been provided in time for use at the hearing.

Question 12. Describe in detail the system for clearing a Department initiated telegram to a post abroad dealing with a policy issue in which both the White House and other government agencies, including the Defense Department, have an interest. What is the average length of time required for clearance of a telegram dealing with a routine policy issue? How many people, on the average would need to clear such a telegram?

Answer. In clearing a Department-initiated, routine policy telegram to a post abroad in which, for example, the Department of Defense and the White House

would share some interests with State, the drafting officer would simultaneously secure necessary clearances wihin his own bureau, within the interested offices of other geographic or functional bureaus in State, and within the Department of Defense (his draft version would be delivered to Defense via our Executive Secretariat's high-speed, secure LDX [1] transmission facilities—which reduce the need for excessive messenger traffic among Washington agencies). Normally, all necessary State and Defense clearances could be secured within one working day.

Should the drafting officer or his approving bureau supervisor believe that a White House clearance might be necessary, the draft would be submitted to the Executive Secretariat for a decision by a principal officer (e.g., an Under Secretary or Deputy Under Secretary) whether the message indeed requires White House clearance. This process of obtaining a White House clearance coul dtake up to another working day, depending on the higher priority demands of more urgent business. A routine message of the type described coud thus take up to two working days to clear for transmission to the field.

In more urgent cases, however, fast and repeated telephone followup action can frequently produce all needed clearances within a matter of hours and, in crisis situations, even minutes. Conversely, messages which involve difficult and complex policy issues and on which differing points of view must be resolved, can take up to several days to clear and dispatch.

The average State-initiated routine policy telegram requiring White House and Defense clearances would need at least five clearances: two interbureau clearances in State, one from Defense, one by a principal officer at State, and one from the White House."

Question 13. (a) How many treaties is the United States now a party to?

Answer. As of January 1, 1972, the United States was a party to 947 treaties and 4,359 executive agreements.

Question (b) How many treaties have been renounced or rescinded in the last five years on the grounds they were obsolete?

Answer. It appears that only one agreement has been renounced in the past five years because of being obsolete. The more usual procedure is that agreements terminate at the end of a period specified therein or that agreements are revised or terminated because new agreements on the subject are concluded. For example, the Department of State is currently in the process of negotiating new or supplementary extradition treaties to include such crimes as aircraft hijacking and offenses relating to narcotic drugs. Another example is found in the termination of bilateral trade agreements because countries have become party to the multilateral General Agreement on Tariffs and Trade.

Question 13. (c) What percentage of the treaties outstanding are either obsolete or, in some way, outdated?

(d) Does the Department have any established precodure for periodic review of treaties and implementing statutes with the view of weeding out those that are obsolete?

Answer. (c) and (d). In preparing the annual publication Treaties in Force—A List of Treaties and Other International Agreements of the United States in Force as of January 1, the Department reviews existing treaties and executive agreements with a view to eliminating those which are no longer in force either because they have expired by their own terms, have been replaced by other agreements, or which, for other reasons, appear no longer to be valid. A continuing check is made during the year by the Treaty Affairs Section in cooperation with other offices in the Department and other agencies of the Government to determine which agreements should be eliminated because they are no longer operative. Foreign Embassies assist in the process from time to time by indicating agreements which they believe should be deleted from the publication because their governments no longer consider them in force.

Because of this continuing review there will not be outstanding for more than a short period of time any treaties that are obsolete or outdated. They would be very few in number, representing only an extremely small percentage of the total number of agreements—probably below 1%.

When treaties are concluded or amended, statutes are reviewed to determine whether new legislation is required or whether existing legislation should be

[1] LDX is the abbreviation for Long-Distance Xerography.

terminated or amended. When treaties are terminated, consideration is also given to whether or not existing legislation will be effected. If so, appropriate action is initiated.

Question 14. The list of schools supported by U.S. civilian agencies for children of U.S. personnel overseas shows that there will be an estimated 12,423 students in FY 1973 and that $16.7 million will be spent for the civilian agencies for education allowances and subsidies.

In FY 1972, the Department of Defense has an operating budget of $151.6 million for 165,000 students in 304 schools in 26 countries.

What coordination is there between civilian and military officials on school requirements? How many civilians attend the military schools, if any?

Answer. Coordination between the DOD and A/OS exists through an Ad-Hoc Committee of approximately eight officers representing the two programs. The Committee, or Task Force, was established two years ago for the purpose of discussing educational matters and related subjects of mutual interest. Materials and information have been exchanged on such subjects as curriculum, health, drug abuse, boarding facilities, workshops (which includes coordination with the National Science Foundation), recruitment and in-service training.

Coordination at the Congressional level, i.e., the Dent Committee, a sub-committee of the House Committee on Education and Labor, is continuous, as officials of the DOD and A/OS accompany the Committee during its investigations of overseas schools. The purpose of the Committee is to investigate and study the operation by the Federal Government of elementary and secondary schools, both at home and abroad, with a view to determining means of assuring that the children of civilian officers and employees, and members of the Armed Forces, of the United States will receive high quality elementary and secondary education.

In the course of investigating schools operated by the DOD, schools assisted by the A/OS are also visited. As representatives for their respective agencies, the officials from DOD and A/OS are thus familiar with the operations and requirements of the typical DOD operated school and the typical American-sponsored, independent school operation.

Coordination between DOD and A/OS on the important issue of full utilization of DOD boarding facilities by USG civilian dependents where high school facilities do not exist locally, resulted in the policy that USG civilian dependents will be enrolled on a space required, tuition paying basis. Prior to that expression of policy USG civilian dependents had been enrolled on a space-available basis which resulted in uncertainty that space would be available from year to year for a child. The new policy ensures that once a child has been enrolled in a DOD high school boarding facility, space will be reserved for the child as long as may be required.

Coordination on an informal basis is a continuous occurrence between officials of both offices.

The DOD reports that approximately 1,044 non-military civilian Government dependents attend day and boarding schools operated by the military abroad.

Question 15. (a) Why does the Department continue to need its own disbursing officers-USDO's at overseas locations?

Answer. There is a current need for disbursing officers at certain overseas locations because communications (and transportation) do not permit economical, efficient, and responsive handling of all disbursing from a central location.

The Department has adopted and is implementing a financial management improvement plan to regionalize further the disbursing for these locations as soon as more responsive communications and transportation facilities are available.

In the late 1940's the Department had 240 disbursing officers submitting individual disbursing reports. Today, under the Department's financial management improvement program, there remain only 21 Department of State USDO's submitting reports.

The disbursing responsibilities and locations are under constant review. Recently the Department and Treasury jointly conducted a feasibility study to determine the practicality of bringing Australia and New Zealand under the Treasury Regional Disbursing Officer in Manila for disbursing services. The

results demonstrated emphatically that it was not economically feasible at this time for the U.S. Government to proceed with the program.

First, the turn-around time (communication lag) for voucher processing averaged from 14 to 26 days for the Embassy in Canberra (Canberra-Manila-Canberra), plus an additional transit period from Canberra to the Consulate Generals and Consulates in Austrailia.

The turn-around time (communication lag) for voucher processing averaged from 19 to 23 days for the Embassy in Wellington, plus an additional transit period for the Consulate at Auckland, the Embassy at Suva and other posts in the Fiji Islands.

Second, there would have been no financial savings to the U.S. Government since no American or local positions would have been eliminated. The minimal savings which would result from the elimination of check issuance and disbursing officer end-of-the-month reports would be absorbed by the additional controls and documentation required when the disbursing (check issuance and reports) is performed by Treasury.

(b) Why couldn't the entire disbursing function be performed by the Treasury Department?

As indicated above, communication (and transportation) do not at this time permit efficient handling of the disbursing from a central point, for the present 21 overseas locations. These disbursing officers are functionally responsible to the Treasury Department; but for administrative control purposes, they are employees of the Department of State. Of course, they disburse not only for the Department of State, but for the many other agencies requiring disbursing services.

Question 16. Why hasn't the Department centralized its payroll operations on a mechanized basis in Washington, D.C.? Has any consideration been given to creating a single payroll system for all foreign affairs agencies?

Answer. As early as 1955 the Department of State was studying the possibility of centralizing its payroll operations on a mechanized basis in Washington, D.C. At that time, the Department considered five plans: 1. To centralize a mechanized operation in Washington; 2. To regionalize a mechanized operation such as the Regional Finance and Data Processing Center (RFDPC) in Paris; 3. To contract out to a customer service, such as IBM; 4. To use a machine system at each of the larger posts, and 5. To continue manual systems at every post.

A number of factors entered into the Department's decision to regionalize rather than centralize in Washington. The limitations of worldwide communications/airline schedules were major factors in our decision. The requirement for preparation and submission to a payrolling office of a Time and Attendance Report each pay period certainly limits the distance which payrolling offices can be from posts they are servicing and still provide timely and accurate service.

Another factor was personnel costs, which are considerably less when using local-hire employees rather than American employees here in Washington. There is also a very limited market of payroll personnel in the Washington area, and those who are employed in this capacity frequently remain for only a relatively short period of time.

The regionalization concept was reviewed in 1961 and again in 1963. At both times, the Department decided that regionalization offered greater benefits than a centralized operation in Washington. One of those benefits available under regionalization with a Department of State U.S. Disbursing Officer has been that the payrolling and disbursing operations have provided, as a by-product input to the mechanized allotment accounting system. Until such time as all data processing services provided to posts by RFDPC can be shifted to Washington, there is little advantage to be gained in shifting just the payroll servicing function.

In 1968 the Department began the regional payroll operation for the Americas utilizing the disbursing facilities of the Treasury Department in Washington. Currently, approximately 12,000 American and local national employees throughout the United States, Canada, Latin America, and South America are paid through the Department's computer center in Washington. While the cooperation and assistance of the Treasury Department has been excellent, there are a

number of shortcomings in this regionalization project which do not occur in the Regional Finance and Data Processing Center in Paris, staffed by a State Department U.S. Disbursing Officer. The Paris operation, which uses the same payroll system as the system used in the Department, pays approximately 12,285 employees in 79 countries in Europe, Africa, and the Near East. In Paris, payroll checks are printed immediately after calculation and are available for distribution the next day. In Washington, there is normally a two-to-three day lag between the completion of the computation and actual issuance of paychecks by Treasury.

The regionalized payroll system being operated in the Paris and Washington computer centers services employees of approximately 37 agencies, including the United States Information Agency and the Peace Corps, located at Foreign Service posts. In addition, the Department of State provides payroll service domestically to the Arms Control and Disarmament Agency. Two other agencies with significant representation in foreign communities, the Department of Defense and the Agency for International Development, have elected not to participate in the Department of State payrolling system.

In June 1969, the Joint Working Group of the Foreign Affairs Data Processing Center considered in some detail the possibility of establishing a single payroll system for use by all foreign affairs agencies. However, the conclusions of this group were very similar to those arrived at more recently by the Joint Financial Improvement Program team, which studied the possibility of establishing a single computerized payroll system for all Federal Government Civilian Personnel. These conclusions can be summarized as follows:

1. the value of integrating payroll with other inter-agency systems—i.e. personnel, cost accounting, etc.—outweighs the advantages of having a single inter-agency payroll system

2. unless all administration systems are merged, removal of payroll payroll responsibilities along from agency data processing centers will not result in sufficient equipment/personnel savings to warrant the change.

Question 17. The General Accounting Office, in a report issued in July 1967, encouraged the establishment of a common data processing facility for the foreign affairs community. What progress has been made toward establishing a common data processing facility and common systems to be used by all foreign affairs agencies?

Answer. Partly as a result of the General Accounting Office recommendations, the Department of State, with the cooperation of other agencies in the Foreign Affairs Community, has established a Foreign Affairs Data Processing Center (FADPC). This Center is providing data processing services to member agencies on a steadily expanding basis. At the present time, the FADPC operates the following systems for non-State agencies.

ACDA—accounting, payroll, personnel, information retrieval systems.

USIA—accrual reporting system.

In addition, ACDA, AID, Peace Corps and USIA provide input directly from their automated personnel files to assist the Department in generating the *Foreign Service List* each quarter.

Over the next few years additional inter-agency projects and systems in both administrative and substantive areas are planned.

APPENDIX

10. President's letter of December 9, 1969, on the Responsibilities of Chiefs of American Diplomatic Missions [1]

THE WHITE HOUSE,
Washington, December 9, 1969.

DEAR MR. AMBASSADOR: Your mission as American Ambassador to (country of assignment) is of the utmost significance to our country and to me personally. I wish you every success in this endeavor.

I attach the greatest importance to my Constitutional responsibilities for the conduct of our relations with other countries. As the personal representative of the President of the United States, you share these responsibilities in the country to which you are accredited.

You will, of course, report to me through and normally receive your instructions from the Secretary of State who has responsibility not only for the activities of the Department of State but also for the overall direction, coordination and supervision of the United States Government activities overseas.

I believe that all possible measures should be taken to improve and tighten the processes of foreign policy implementation abroad. I know I can count on your full support in directing the activities of all elements of the United States Mission to achieve this objective. To assure you and all concerned that you have my full personal backing, I want to make the following comments on your own authority and responsibilities.

As Chief of the United States Diplomatic Mission, you have full responsibility to direct and coordinate the activities and operations of all of its elements. You will exercise this mandate not only by providing policy leadership and guidance, but also by assuring positive program direction to the end that all United States activities in (the host country) are relevant to current realities, are efficiently and economically administered, and are effectively interrelated so that they will make a maximum contribution to United States interests in that country as well as to our regional and international objectives.

I am concerned that the size of our representation abroad be related to a stringent appraisal of policy and program requirements and that the number of personnel of all agencies be kept at the very minimum necessary to meet our objectives. I shall expect you to maintain a continuing personal concern on this matter and to inform the Secretary of State when you believe that the staff of any agency or program is excessive.

I shall expect you to assure the highest standards of personal conduct by all United States personnel, civilian or military; you have authority to take any corrective action which in your judgment is necessary.

You have, of course, the right to be kept informed, to the extent you deem necessary, of all the information or recommendations reported by any element of the Mission. The Secretary of State and I have made

[1] 35 Federal Register 4193, March 6, 1970.

it clear that we will welcome the opportunity to consider alternative policies and courses of actions before making final decisions. When you or other members of your Mission believe such alternatives merit consideration, we encourage your putting them forward along with your own recommendations.

I will reserve for myself, as Commander-in-Chief, direct authority over the military chain of command to United States military forces under the command of a United States area military commander, and over such other military activities as I elect, as Commander-in-Chief, to conduct through military channels.

However, I will expect you and the military commanders concerned to maintain close relations with each other, to keep each other currently informed on matters of mutual interest and in general to cooperate in carrying out our national policy. If differences of view not capable of resolution in the field should arise, I will expect you to keep me informed through the Secretary of State.

I deeply believe, as I said in my Inaugural Address, that forces now are converging that may make possible the realization of many of man's deepest aspirations. If "the times are on the side of peace," I also deeply believe that you, and the dedicated personnel of the Foreign Service and the other departments and agencies who comprise the staff of your Mission, will insure that we take maximum advantage of the opportunities that are so clearly before us.

With my best wishes,

Sincerely,

(Signed) RICHARD NIXON.

13. Interdepartmental Operations of the U.S. Government Overseas

a. White House Announcement of the Structure, Role, and Staff of the National Security Council, February 7, 1969[1]

During the past 2 weeks the President has set in motion a vigorous program for studying new approaches to pressing national security issues. These studies will be conducted in the framework of the revitalized National Security Council system which was urged by the President during the Presidential election campaign.

Since January 20 the President has moved to restore the National Security Council to the role set for it in the National Security Act of 1947:

". . . to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the miltary services and other departments and agencies of the Government to cooperate more effectively in matters involving the national security."

The steps which have already been taken to reinvigorate the Council include the following:

—The President has indicated that the Council will henceforth be the principal forum for the consideration of policy issues on which he is required to make decisions.

—The President has directed that the National Security Council meet regularly (five meetings have been held in the first 2½ weeks and one meeting will be held each week for the next few months).

—At the President's direction, a series of supporting NSC committees and groups have been organized to prepare forward planning for the Council as well as to facilitate the handling of more immediate operational problems within the context of the NSC system.[2]

—The President has assigned to the supporting NSC bodies a comprehensive series of studies covering the principal national security issues now confronting the Nation or which are expected to be of importance in the months ahead. Several of these studies have already come before the Council, including ones dealing with Vietnam, the Nonproliferation Treaty, and the Middle East.

As important as the regularity and strengthened structure of the Council and its projected policy studies is the approach prescribed by the President for the examination of issues. The guidance to NSC study groups seeks to assure that all pertinent facts are established, and all options presented—complete with pros, cons, and costs—so that decisions can be made with a clear understanding of their ramifications. The purpose of this procedure is to bring the full range of choices to the President and his principal advisers—not to bury them.

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[1] Weekly Compilation of Presidential Documents, Monday, February 10, 1969, Vol. 5, No. 6.

[2] Under these new arrangements NSAM–341 (March 4, 1966) is rescinded.

An explicit aspect of the above arrangements was the President's designation of the Secretary of State as his principal foreign policy adviser. As such, the Secretary of State has been delegated by the President clear authority, to the full extent permitted by law, in interdepartmental operations of the U.S. Government overseas.

In order to provide the President and the Council with the strongest possible support, the President has directed the reorganization and strengthening of the NSC staff.

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b. Secretary of State Rogers' Message on the Department of State's Responsibilities, February 7, 1969

SENT TO ALL OFFICERS AND EMPLOYEES OF THE DEPARTMENT OF STATE, THE AGENCY FOR INTERNATIONAL DEVELOPMENT, THE U.S. INFORMATION AGENCY, THE ARMS CONTROL AND DISARMAMENT AGENCY, AND THE PEACE CORPS—IN THE UNITED STATES AND OVERSEAS

You will soon be receiving a Department of State Foreign Affairs Manual Circular summarizing and explaining decisions taken recently by the President which restructure the National Security Council system and bear upon the development and execution of our foreign policy. The President's decisions place challenging responsibilities before all of us in the Department of State.

The President has assigned to the Department of State authority and responsibility to the full extent permitted by law for the overall direction, coordination and supervision of interdepartmental activities of the United States Government overseas. (As in the past this assignment does not include activities of United States military forces operating in the field where such forces are under the command of a United States area military commander or such other military activities as the President may elect as Commander-in-Chief to conduct through military channels.)

It is the President's intention that the Department of State will also play a central and dynamic role in the new National Security Council system. This role will be performed principally through the participation of the Secretary of State and the Under Secretary at all NSC meetings, the newly-constituted NSC Under Secretaries Committee chaired by the Under Secretary and in his absence the Under Secretary for Political Affairs, Department of State participation on the NSC Review Group, and through the Interdepartmental Groups of regional and functional composition which are chaired by Assistant Secretaries of State. These responsibilities provide the Department a role of leadership which will require imagination and energy to be asserted by all involved.

The resources of the Department and its associated agencies will provide the strongest possible support to the President's desire to use the National Security Council system for an orderly examination of our foreign policy objectives.

The Department of State will energetically execute United States policy objectives overseas in accordance with the President's decisions.

Ambassadors and our missions abroad will be depended upon for initiatives and support. Country Directors, under the guidance of their Assistant Secretaries, will exercise leadership in the Washington community in policy and program matters relating to the countries under their jurisdiction and in support of our missions abroad.

The President's goal is to enhance and insure the security and peaceful progress of the United States. Our success in this objective will contribute to the well-being of free people everywhere.

c. Reorganization of the National Security Council System and Direction, Coordination and Supervision of Interdepartmental Activities Overseas (Department of State Foreign Affairs Manual Circular, No. 521, February 6, 1969)

1. REORGANIZATION OF THE NATIONAL SECURITY COUNCIL SYSTEM

To assist him in carrying out his responsibilities for the conduct of national security affairs, the President has designated the National Security Council as the principal forum for consideration of national security policy issues requiring Presidential decision. In addition to utilizing the NSC itself he has reorganized the NSC system to constitute certain groups and committees, and has designated responsibilities to the Department of State, as described below:

a. NSC Interdepartmental Groups

The previously existing interdepartmental Regional Groups and the Political-Military Interdepartmental Group have been reconstituted as Interdepartmental Groups in the NSC system, chaired by the appropriate Assistant Secretary of the Department of State. The membership of these Groups will include representatives of the Assistant to the President for National Security affairs, the Secretary of Defense, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff and other agencies at the discretion of the Chairman depending on the issue under consideration.

The Interdepartmental Groups will:

—discuss and decide interdepartmental issues which can be settled at the Assistant Secretary level, including issues arising out of the implementation of NSC decisions;

—prepare policy papers for consideration by the NSC;

—prepare contingency papers on potential crisis areas for NSC review.

b. NSC Ad Hoc Groups

When appropriate, the President will appoint NSC *Ad Hoc* Groups to deal with particular problems, including those which transcend regional boundaries.

c. NSC Review Group

An NSC Review Group has been established to examine papers such as those coming out of the Interdepartmental Groups, NSC *Ad Hoc* Groups, or departments prior to their submission to the NSC. The Review Group, chaired by the Assistant to the President for National Security Affairs, will include representatives of the Secretary of State, the Secretary of Defense, the Director of Central Intelligence, the

Chairman of the Joint Chiefs of Staff, and other agencies at the discretion of the Chairman, depending on the issue under consideration. The Review Group will review papers to assure that:

—the issue under consideration is worthy of NSC attention;
—all realistic alternatives are presented;
—the facts, including cost implications, and all departments' and agencies' views are fairly and adequately set forth.

The Review Group may assign action to the NSC Interdepartmental Groups or NSC *Ad Hoc* Groups, as appropriate, and may refer issues to the Under Secretaries Committee.

d. The NSC Under Secretaries Committee

An NSC Under Secretaries Committee has been established under the Chairmanship of the Under Secretary of State, assisted by the Under Secretary for Political Affairs who will also act as his alternate, consisting of the Deputy Secretary of Defense, the Assistant to the President for National Security Affairs, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff, and, depending on the issues under consideration, ranking officers of other agencies at the discretion of the Chairman. The Under Secretaries Committee will consider:

(1) issues referred to it by the NSC Review Group;
(2) operational matters pertaining to interdepartmental activities of the U.S. Government overseas:
—on which NSC Interdepartmental Groups have been unable to reach agreement, or which are of a broader nature than is suitable to any such group;
—which do not require consideration at Presidential or NSC level; and
—which are referred to it by the Secretary of State.
(3) other operational matters referred to it jointly by the Under Secretary of State and the Assistant to the President for National Security Affairs.

2. AUTHORITY AND RESPONSIBILITY OF THE SECRETARY OF STATE

a. The President has affirmed the position of the Secretary of State as his principal foreign policy adviser and his responsibility, in accordance with approved policy, for the execution of foreign policy.

b. He has assigned to the Secretary authority and responsibility to the full extent permitted by law for the overall direction, coordination and supervision of interdepartmental activities of the United States Government overseas. This authority includes continuous supervision and general direction of economic assistance, military assistance and sales programs, as provided in the Foreign Assistance Act of 1961, as amended. (The authority does not extend to

(1) the activities of United States military forces operating in the field where such forces are under the command of a United States area military commander,
(2) such other military activities as the President elects to conduct through military channels, and

(3) activities which are internal to the execution and administration of the approved programs of a single department or agency and which are not of such a nature as to affect significantly the overall U.S. overseas program in a country or region.)

c. Previously established responsibilities of the Department of State by virtue of law or Executive Order with respect to such matters as international educational and cultural affairs, information activities, foreign assistance, food for peace, arms control and disarmament, supervision of programs authorized by the Peace Corps Act, social science research, immigration and refugee assistance continue in effect.

d. In the implementation of his responsibilities for the execution of foreign policy and for the direction, coordination and supervision of interdepartmental activities overseas the Secretary of State intends to utilize, in addition to the normal resources of the Department, the system of NSC Interdepartmental Groups and the Under Secretaries Committee outlined above. Within the purview of these responsibilities executive authority is delegated by the Secretary to the Chairmen of these Committees.

e. Chiefs of Diplomatic Missions in foreign countries, as representatives of the President and acting on his behalf, continue to be in charge of all elements of the United States Diplomatic Mission and to exercise affirmative responsibility for the direction, coordination and supervision of all activities of the United States Government in their respective countries.

FOREIGN POLICY, No. 5, WINTER 1971–72

THE NIXON NSC

In 1947, by Act of Congress, a National Security Council was established "to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the government to cooperate more effectively in matters involving the national security."

The role of the Council, or "NSC," has varied with each of five Presidents who have used it. In the past decade its staffs, headed successively by McGeorge Bundy, Walt W. Rostow, and Henry Kissinger, have moved to the center of White House decision-making. As President Nixon's principal adviser, Kissinger has centralized authority in the White House that in an earlier era was wielded by Secretaries of State such as Dean Acheson and John Foster Dulles.

How does the Nixon NSC staff operate, and how permanent are the innovations it has brought to policy-making? What contribution has it made to forging new policies on China, arms control, world trade, and European security? How effective has it been in organizing the work of Washington's separate military and foreign affairs departments?

FOREIGN POLICY examines these questions from two different perspectives—those of veteran Washington journalist John P. Leacacos and Princeton researcher I. M. Destler. Each account draws on extensive interviews at the White House, C.I.A., and the State and Defense Departments. Together, the two articles represent a searching examination of the current foreign policy making process in Washington.

Mr. Leacacos has appended to his article a chronological listing of the dates and subjects of each of the 138 "National Security Study Memoranda" commissioned by the Nixon NSC between January, 1969 and October, 1971 (see pages 25–27).

KISSINGER'S APPARAT

(By John P. Leacacos)

Atop Washington's complex foreign affairs bureaucracy sits the National Security Council, a 24-year-old body given new status in 1969, when President Nixon moved to make it a kind of command and control center for his foreign policy. The new Nixon NSC system, run from the White House by Henry A. Kissinger, has now existed for nearly three years, producing 138 numbered study memoranda, reaching 127 formal decisions, and employing a permanent staff of about 120 personnel (more than double the pre-Nixon figure). Though the substance of its operations are necessarily secret, interviews with officials permit tentative evaluation of the strengths and weaknesses of the Kissinger NSC. There is broad agreement on the following seven points:

—The NSC has served President Nixon more or less as he desired, that is, in the ordered style of formal answers to detailed questionnaires. The volume of this paperwork has at times been staggering, but it has sharpened focus on the search for policy choices.

—The answers and alternatives for action "coming up through the NSC" have produced few panaceas, but have contributed greater coherence of outlook in foreign affairs management. NSC recommendations are more pragmatic than academic, reflecting Kissinger's view: "We don't make foreign policy by logical syllogism."

—Explicit insistence on the "limited" nature of U.S. power and the need for greater restraint and cautious deliberation about its exercise have been reinforced at the highest level by Nixon's habit of withdrawing to make final decisions in solitude and of frequently deciding on no-action rather than accepting advice to initiate new action.

—By being close to the President and keeping his fingers on all aspects of the NSC process personally, Kissinger without question is the prime mover in the NSC system. The question arises whether the NSC would function as effectively without Kissinger, and whether it can bequeath a heritage of accomplishment to be absorbed by the permanent machinery of government.

—Secretary of State William P. Rogers operates within the NSC system and also utilizes it as a forum to establish whatever policy position is preferred by his

State Department; but he side-steps the NSC on occasion to carry his demurrer, dissent or alternate position to the President privately.

—Defense Secretary Melvin R. Laird is less personally involved in the NSC process, having apparent indifference to what he believes is unnecessary NSC paperwork, which he leaves to his deputy, David Packard, Laird's main day-to-day operational preoccupation is with the exit of U.S. forces from Vietnam. His International Security Affairs Bureau in the Pentagon performs poorly by Washington bureaucratic standards.

—The influence on foreign policy of the military, including the Joint Chiefs of Staff, who are usually represented in the NSC process, is at the lowest point in several years. This has been attributed to the anticlmatic winding-down atmosphere of the Vietnam war, and to the fact that the Chiefs' once die-hard views and abstract argumentation on strategic nuclear supriority over the Soviet Union have been successfully emulsified into the Nixon-Kissinger basic principles for SALT negotiations with Russia. Kissinger has commented: "In my experience with the military, they are more likely to accept decisions they do not like than any other group."

From time to time, gears have clashed within the system. The State Department has complained bitterly of the "Procrustean bed" fashioned by the Kissinger staff. Meeting excessive White House demands, bureaucrats allege, robs State and Defense of manpower hours needed for day-to-day operations. After his first year, Kissinger conceded: "Making foreign policy is easy; what is difficult is its coordination and implementation."

White House NSC staffers, on the other hand, exuberant at their top-dog status, express a degree of condescension for the work of the traditional departments. In 1969 Kissinger staffers rated State-chaired studies and recommendations only "50 to 70 percent acceptable" and based on mediocre reporting which failed to sift wheat from chaff in the political cables constantly arriving from 117 U.S. embassies overseas. The Kissinger staff say that they have to hammer out the real choices on the hard issues, since a cynical and sometimes bored bureaucracy offers up too many "straw options." State's planners, for their part, criticize the NSC staff for overdoing the options game. As senior Foreign Service officers say, "After all, what needs to be done is usually fairly obvious common sense. The crux is how, and when to do it."

Cogito Ergo IG

The NSC system today is not the tidy blueprint of January, 1969. The older it has gotten, the more informal and overlapping its procedures have become. The amounts of analysis manufactured sometimes threaten to outrun the capacity of the decision-makers to absorb. Crucial issues have been maneuvered to committees chaired by Kissinger, thence directly to the President. The frequency of full NSC meetings has diminished: 37 in 1969, 21 in 1970 and 10 in 1971 (through September).

Normally, an NSC study is jointly prepared through the "IG's" (Inter-departmental Groups) by all concerned agencies (State, Defense, CIA, etc.). There are six IG's: for Europe, the Far East, the Middle East, Africa, Latin America and politico-military affairs, all headed by Assistant Secretaries of State. The spread of the 138 NSC study assignments through the first 33 months of the Nixon Administration was: Middle East—14; Far East—12; Latin America—9; Africa—4; Europe—11; Verification Panel—2; Under Secretaries Committee—1; individual departments and agencies—13; ad hoc groups—67. Due to overlapping, it is estimated that at least 30 percent of the studies contained contributions from State's Bureau of European Affairs, more than 40 percent from its Bureau of East Asian and Pacific Affairs, as high as 80 percent from its Bureau of Politico-Military Affairs, and close to 90 percent from its Bureau of Intelligence and Research, which had a finger in practically every pie.

The Middle East shop is one of the few to have a high degree of autonomy from "normal" procedures. Assistant Secretary Joseph J. Sisco works directly with the President, Secretary Rogers and Kissinger, although a Kissinger staff man, Harold Saunders, monitors the paper flow.

Vietnam policy has been under close White House NSC supervision. Subsidiary NSC units at State, Defense and CIA serve as operational checkpoints for coordination, and update and verify information required for decision via the NSC Vietnam Special Studies Group. The quality of that group's analysis is rated high by Kissinger—on a par with the exhaustive SALT inquiries. It is chaired by

Wayne Smith, Kissinger's systems analysis specialist, to guarantee that no White House doubt is left unanswered. Smith's staff aims at precise intelligence on current Vietnam operations, but also tries to make projections five years ahead. A second, separate NSC *ad hoc* group on Vietnam, chaired by Deputy Assistant Secretary of State William H. Sullivan, who also works directly with the President, Rogers and Kissinger, concentrates on the Paris negotiations.

Kissinger keeps a close eye on SALT via the NSC Verification Panel, Washington's "action center" for the Helsinki and Vienna talks with the Soviets. Wayne Smith monitors daily operations while Philip J. Farley, deputy director of the Arms Control and Disarmament Agency, acts as a coordinator within the larger bureaucracy.

What the Nixon Administration sees as its five principal areas of foreign affairs initiative—Vietnam, the Middle East, arms control, Berlin, China—have all been under more or less right NSC White House grip, that is, direct Nixon-Kissinger overview. The NSC took special satisfaction in the August 1971 four-power Berlin accord because *there*, it felt, it had prevented the bureaucracy from rushing into a premature agreement. Progress on SALT and dramatic changes in China policy are also cited as achievements of the new NSC system, although Vietnam remains a more ambiguous test-case and most Middle East peace moves have come directly from the State Department, not the NSC.

WSAG to the rescue

Between the interdepartmental groups at the base and himself and his personal staff at the apex of the NSC pyramid, Kissinger has created several special units for unique tasks. One is the Under Secretaries Committee, now chaired by Under Secretary of State John N. Irwin and originally designed as the chief implementing body to carry out many (but not all) Presidential NSC directives. Its actual importance (never very great) continues to lapse.

Another is the Senior Review Group, now at an Under Secretary level and chaired by Kissinger, which usually gives final approval to the NSC study memoranda after making sure that "all realistic alternatives are presented." Kissinger also chairs the Defense Programs Review Committee, whose purpose is to keep the annual defense budget in line with foreign policy objectives. A further group, again chaired by Kissinger, though not formally part of the NSC structure, is the "40 committee" which supervises covert intelligence operations (though CIA and green beret commando missions in Laos and Cambodia have been transferred to a separate NSC committee, the Washington Special Actions Group).

This last-named unit, the WSAG, is the top-level operations center for sudden crises and emergencies. It watches developing situations which could gravely affect U.S. interests, such as the apparent imminence of hostilities on the Ussuri River in 1969 between the Russians and Chinese, WSAG kept tabs on Soviet submarines in Cuba in 1969, the Jordan crisis in 1970 and the East Pakistan revolt in 1971, as well as acting as the watchdog during the Cambodian sweep and the Laos incursion. It was created in April, 1969, after Nixon's surprise and embarrassment when the North Koreans shot down an American EC–121 aircraft and the normal bureaucratic mechanisms "muffed" the incident through over-caution. WSAG's chariman is Kissinger, naturally.

Regarding WSAG's work on the Jordan crisis, Kissinger recalled: "We deliberately kept options open to do enough to discourage irresponsibility, but not so much as to give a sense of irreversibility to what was going on; to restrain outside forces (Syrian) that had intervened, but not to the point where we'd trigger a whole set of other forces (Israeli), and to make sure that Soviet power would not be used." The WSAG command-and-control function in this and other crises appeared to work more smoothly than did White House controls on Vietnam in the Johnson Administration. A classic pre-WSAG snaf uoccurred in 1966–67, when air power advocates made detailed arrangements for the rendezvous of 13 aircraft carriers, practically all those in service, to immobilize the port of Haiphong before North Vietnam's air defenses could be organized—only to be turned down at the last minute by President Johnson.

Temporary White House NSC groups have been formed from time to time for special projects such as post-mortems over Cambodia (pre-invasion intelligence had failed to pinpoint North Vietnamese supply capabilities) and Chile (the narrow election win of Socialist President Allende was a bit of a surprise, and its implications for future U.S. policy were at first unclear).

The WSAG and the Verification Panel have emerged as the President's innermost councils of war, the closest Nixon approximation to John F. Kennedy's "ExCom" which handled the Cuban missile crisis in 1962. Highlighting the importance of these two groups is the occasional attendance at their meetings of Attorney General John N. Mitchell, who plays a role with Nixon not unlike Robert Kennedy's position as chief backstair adviser for his brother, President Kennedy. Mitchell, who once sardonically described Kissinger to a society reporter as an "egocentric maniac, but brilliant and indispensable," is pictured by senior Nixon aides as a man of "soundness" and sensitivity, a hard loser at giving up U.S. interests and a counselor valued for "good, tough, hard" judgments in complicated situations, particularly in intelligence evaluations affecting the Soviets. Mitchell says relatively little at the meetings he attends, but gives his private assessments directly to the President.

Other WSAG members are CIA Director Richard C. Helms, Deputy Defense Secretary Packard, Joint Chiefs Chairman Admiral Thomas H. Moorer and Under Secretary of State for Political Affairs U. Alexis Johnson. The WSAG likes to work with as few aides as possible. As one of its members says, this eliminates kibitzers and guards against leaks.

Thirty key officials

In all this elaborate series of NSC channels and committees, only some 30 key officials are estimated to be involved in making critical decisions. Another 300, at maximum, including officials of State, Defense, and CIA, have a partial role in contributing to the decision-making process and in carrying out Presidential directives.

Despite his perfectionist impatience with the State Department, Kissinger realizes that his unique personal role tends to weaken the institutional role of the permanent bureaucracy. He has frequently said that he would consider it a signal achievement if his NSC system goaded the State Department into "better and better" performance. The more effective State became, the less the White House staff would have to do.

In mid-1971 State began to take up the Kissinger challenge. At Secretary Rogers' urging, a new system of evaluating, country by country, programs, costs and resources, especially those controlled overseas by other agencies, is being installed within State. The goal is to give State more weight bureaucratically vis-a-vis other agencies in the implementation of foreign policy, thus compensating in part for the ineffectiveness of the moribund NSC Under Secretaries Committee. The long-term objective is to "institutionalize" within State the procedural patterns of the Nixon NSC, thus assuring that they survive beyond the Nixon Presidency. The State Department, after all, starts out with a huge advantage in manpower and trained expertise—over a thousand Foreign Service officers in Washington, compared with the White House staff of a hundred-odd, of which only 10 are currently Foreign Service officers. But if State is to get more of the action in this Administration, it will have to revise the trade-shop slogan of its professionals who say, "Policy is made in the cables," that is, that the actual pattern of U.S. foreign policy in the field is literally made by the spot instructions drafted in Washington. The White House NSC's more intellectualized approach is that policy is made in Washington after all the incoming cables from the field have been sifted, weighed and related to a priori grand strategy. Kissinger aides finally got a handle on significant outgoing cables when new LDX (Limited Distribution Xerox) communications equipment was installed in the White House basement. This gave the NSC Presidential assistants enhanced technological means to enforce White House "clearance" of all important outgoing cables.

Much of Kissinger's time is spent writing memoranda to the President, compressing the summaries of lengthy NSC studies to six pages or less. Beyond these formal tasks, he has spent countless hours with the President discussing specific problems and also responding to Nixon's contrapuntal remarks and queries concerning philosophy, history, student restlessness, foreign personalities, public opinion. Presumably Kissinger finds in Nixon a sympathetic audience for observations like this one, made after Cambodia in May 1970: "The unrest on the campus has very deep . . . maybe even metaphysical, causes, in that it is the result of the seeming purposelessness of the modern bureaucratic state, of the sense of impotence that is produced in the individual in relation to decisions that far transcend him, and that he does not know how to influence—the result of 30 years of debunking by my colleagues and myself in which now the academic

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community has managed to take the clock apart and doesn't know how to put it together again." To young staff members, who have sometimes argued with him about the generation gap, Kissinger has asserted that today's youth need fathers, *not* brothers.

From vigor to rigor

Behind the Nixon-Kissinger table of organization lies a philosophy that is not easily articulated in public, but seems nonetheless real. What began in mid-1969 to be called "the Nixon Doctrine" is intended, for all its ambiguity, to symbolize a fundamental shift of foreign policy. The doctrine looks to the beginnings of a more multipolar, less bipolar balance of world power, greater emphasis on military reserves at home rather than troops abroad, and a phasing-out of U.S. experiments in unilateral "social engineering" in developing nations. It is a conscious attempt to liquidate some of the vestiges (such as Vietnam) of an outworn global containment policy, but to do so in a way that does not leave gaping power vacuums in wake of U.S. "limited disengagement" and also does not provoke a domestic backslide into isolationism.

From the start Kissinger has sought to make the operating bureaucracy tie specific objectives to these broader purposes. There had, he felt, been far too much instant diplomacy in the past, crisis-reactions and concentration on tactical rather than long-term strategic interests. A new bureaucratic methodology based on probing questions followed by searching and systematic analysis of every major U.S. policy was designed to provide Washington officialdom with "a new intellectual grid." To the catchword of the Kennedy Administration—"vigor"—Kissinger added "rigor." The desired end-product of a massive re-analysis of foreign policy within the NSC was to be a series of logical options, alternatives or choices consistent with long-range U.S. goals.

In the first weeks of the Nixon Administration in 1969, Kissinger installed the framework of the new NSC system, arguing that it would help stimulate "conceptualized foreign policy germination." But the structured NSC system made for an orderliness which the bureaucracy could also translate as routine, prompting Kissinger to say later: "Process itself is a boring subject. You can make awfully stupid decisions with a brilliant process. The basic question the President has asked me to produce from the bureaucracy is: where are we going, and how are we to get there? It is the question he keeps constantly before us."

Kissinger felt that the McGeorge Bundy and Walt Rostow NSC systems of 1961–69 were too loose, had too many prima donnas, and lacked sufficient "checks and balances" to prevent factual error or premature judgments based on false assumptions. Hence, Kissinger's passion for elaborate filters, safety valves, controls. At a background briefing he once said rather sadly:

"Anybody who has seen high officials in Washington will recognize that one of the nightmarish aspects about it is that, contrary to what I knew in academic life where, when one is identified with a problem, one could work on it as long as necessary, [here] one is forced to develop a hierarchy of priorities. . . . There are many issues that senior officials may know are coming. They may even know how they will deal with these issues—if they only had the time to get around to them. So one of the arts of policy-making is to order your issues in such a way that the most urgent ones get solved before some that appear less urgent hit you. . . . The greater number of issues that a country takes on, the more it taxes the psychological resilience of its leadership group. It is not possible to act wisely at every moment of time in every part of the world. It isn't possible for domestic opinion to understand long-range policy in every part of the world at every moment of time."

The 138 memoranda

Now, nearly three years after the effort began, it is increasingly clear that the Kissinger method has succeeded in shifting a number of American foreign policy assumptions. This has occurred not through any revolution-by-*Diktat*, but instead through a subtler process of evolution-by-memorandum. It is in part by forcing his staff and the larger bureaucracy to answer searching questions in detailed written memoranda, and by refusing to "accept" those memos if they are not sufficiently "rigorous," that Kissinger has churned out the beginnings of new policies toward China, arms control, and European security. His cumbersome method is at its simplest a way of making the bureaucracy think harder.

The process began in January, 1969, when he asked for a study that would

answer 26 questions on Vietnam. Ten more study assignments were given out in the next 10 days. The subjects were: the Middle East, U.S. military posture, foreign aid, Japan, NATO, international monetary policy, "review of the international situation." East-West relations, Nigeria, and contingency planning.

In his first 100 days, Kissinger assigned 55 such study memoranda, or "term papers," as they are sometimes called. A total of 85 were assigned in 1969, 26 in 1970, and 27 during the first nine months of 1971. Most of the studies and many of the early efforts were returned to their bureaucratic authors for further work on further questions, before winning Kissinger's approval. Some studies, complete with annexes and tables, were a foot high. These contributed to the overkill of planning by not being read by the principal NSC officials because they were simply too long to digest. But shorter studies, prepared in a careful format to outline proposed choices, costs and consequences did succeed in widening the horizons of policy-makers. NSC aides felt the sharpness of Kissinger's displeasure whenever they let a major policy consideration "fall between the cracks," as occurred when the issue of toxins was not mentioned in a chemical-biological warfare study assigned in May, 1969. The entire study had to be reassigned and re-done in December.

Tito, Khorat, and the Persian Gulf

The contents of the 138 NSC study memoranda are classified, but a look at their subject-titles discloses a fascinating variety of topics covered. Thus, a 1970 North African study explored the merit of improving U.S. relations with Algeria and Libya. Another study presented "options" as to what might happen in Yugoslavia after Tito's death. Three times in 1969, twice in 1970, and twice in 1971 there were studies of growing Soviet naval capabilities in the Persian Gulf and the Indian Ocean. The Middle East and the Arab-Israeli conflict rated six studies in 1969, four in 1970, with the trigger that prompted orders for each new study usually some change in the military balance or a new Israeli weapons request.

Among the most prescient of Nixon decisions was the President's request of February 1, 1969 for an NSC study on China (which was followed by two more China studies in 1970 and one in 1971, along with a Japan study still underway). One problem identified and analyzed early in China studies was the place of Thailand in any future, "neutralized" Southeast Asia, and, in particular, whether to demilitarize the $30 million U.S. command and communications complex at Khorat. This U.S. base on Thai territory, constructed in the mid-1960's with reinforced concrete for defense against nuclear attack, was conceived by the Joint Chiefs of Staff as the site of U.S. theater headquarters in event of general war with China. A few short years later, the Khorat base looks like a very white elephant.

Among the most vital of all the studies are those relating to nuclear weapons, done in preparation for the Strategic Arms Limitation Talks (SALT) with the Soviet Union. There have been four basic and exhaustive SALT studies and at least 25 further collateral studies (21 in 1969, four in 1970 and four in 1971), including the first review of U.S. civil defense requirements in two decades. They are Kissinger's pride. He has asserted that the SALT studies, centered in the Verification Panel, have been the most thorough and meticulous analyses ever made of the politics of nuclear strategy. He also asserts that they have virtually eliminated the narrow adversary approach to arms limitation hitherto practiced within the U.S. government, which used to provoke bitter intramural controversies leading to stultified international negotiations. Half the time used to be spent negotiating among ourselves, Kissinger says, one-quarter with our allies, and one-quarter with the Russians.

Four principles of U.S. military posture identified in the NSC studies as guidelines for SALT were: (1) the need to retain a second-strike capability; (2) the need for stable forces in a crisis, i.e., forces sufficiently safeguarded so as to be invulnerable to a sudden attack; (3) the requirement that the Russians not be allowed large leverage in the parity of inflicted damage (after all, there are more industrial and urban concentrations to destroy in the United States than in Russia); and (4) adequate defenses against threats from third countries which have actual nuclear weapons (France, China), or nuclear potential (Japan, India, Egypt, Israel, Cuba, among others). The Kissinger-directed review examined the capabilities of every known weapon system and combination of systems, and the attendant risks and gains that would follow from their limitation. This analysis prepared the way for Soviet and American negotiators

to seek concurrent accords on defensive and offensive arms, and for Nixon and Kosygin to exchange pledges of good faith in May 1971. There is now general agreement on the kind of mutual assurances necessary to the stability of any eventual agreement: for each side, maximum survivability of forces, adequate penetrability of weapons and prevention of gross and tempting imbalances.

The making of a balance

Almost as important as the SALT studies have been the seven NSC study memoranda on NATO and 11 more on related concerns, such as mutual balanced force reductions (MBFR) between NATO and Warsaw Pact forces. The MBFR studies, originating in the Defense Department, are exceedingly intricate and still incomplete, but may heavily affect future U.S. policy in Europe. MBFR could be considered a spin-off from the earlier SALT studies.

When the first MBFR study was ordered in April 1970, Kissinger set strict criteria to try to jog the bureaucracy out of its habit of handling European problems in bits and pieces. The results are not yet apparent in policy changes, but a fresh look has been taken at European policies which had remained frozen for nearly two decades. For a time, the number and detail of NSC requests for new information and interpretation placed such demands on an overloaded State Department, which was screening the Defense studies, that Secretary Rogers had to appeal to the President to let up the pressure. Another inhibition was that France, initially, opposed the MBFR concept. The French feared that it would lead to a bloc-to-bloc negotiation between Soviets and Americans, subordinating French sovereignty MBFR also, they felt, had ominous echoes of the Soviet-supported Rapacki plan of the 1950's for an atom-free zone in central Europe that would leave a vacuum on their eastern borders. Finally, such intangibles as the shape of a final SALT agreement, future British and French decisions on whether to retain independent nuclear forces or to merge in a common European force, and economic relations between the U.S. and the Common Market continue to affect the elaborate MBFR planning effort.

More tangible progress has been made by the NSC in another military-poltical field, that of defense assistance. Determination of U.S. military aid programs had been wrested by the Defense Department away from the State Department in 1961. Not until 10 years later, in mid-1971, was State, at NSC insistence, given back the assignment. It is now deciding what precise amounts of aid are required to meet the five-year force levels set by the NSC Defense Programs Review Committee. As of August, 1971, no five-year plan for military aid existed, but some rough priorities had been established. Aid to Vietnam, Laos and Thailand, financed by Defense Department general service funds, would continue to be a Pentagon responsibility with its future tied to unfolding developments in Southeast Asia. Among other countries, there were four rank-levels of military aid priority, as follows:

First Priority: South Korea, Turkey, Cambodia.
Second Priority: Greece, Taiwan, Indonesia, Philippines
Third Priority: Spain, Ethiopia.
Fourth Priority: Rest of the world.

The Richardson factor

One stalwart of the Kissinger NSC system, whose absence has been sorely missed, is Elliot Richardson, who resigned on June 23, 1970 as Under Secretary of State to become Secretary of Health, Education, and Welfare. A laconic Bostonian, Richardson impressed Kissinger (and nearly everybody else) with his incisive knowledge of how to make the bureaucracy move, combined with his air of slightly gelid insouciance. Washington wags used to compare Richardson to Sherlock Holmes' brother, Mycroft, that veritable one-man NSC staff of Edwardian Britain, whose Foreign Office assignment was to determine "how each factor would affect the other." Kissinger and Richardson lunched together every Tuesday. (The present Under Secretary of State, John Irwin, has breakfast with Kissinger every other Thursday—if both are in town.) As a fellow Harvard alumnus, Richardson had no difficulty understanding what Kissinger means when he said that knowledge depends upon the ability to abstract generalizations from individual events, and that the higher the level of authority, the greater the degree of abstraction necessary.

Kissinger and Richardson then(and, to lesser degree, Kissinger and Irwin now) would together decide on what NSC study memoranda to order, and would

also frame an average of 10 to 15 questions they wanted each study to answer. "You cannot get the right answers," says Kissinger, "unless you've asked the right questions." Richardson also managed to alter Kissinger's rather low opinion of the Foreign Service, just as Secretary Rogers had some effect in muting Nixon's own heavy bias against the State Department at the beginning of his Administration. Richardson is missed at State not only for his decisiveness and common sense, but also for his ability to exploit the talents of the career Foreign Service, whose morale has stayed generally low because its personnel have felt under-utilized and distrusted by the Nixon Administration.

Two weak spots

The Achilles' heel of the NSC system has been international economics; and its Albatross has been foreign intelligence. As Kissinger is the first to admit, a field largely beyond his knowledge or competence. Thus the NSC has had only marginal, if not minimal, impact on economic policy.

Early efforts in 1969 to secure the staff services of a national authority in the foreign economic field lapsed under the pressure of more immediate problems. During that first year about 70 percent of the bureaucracy's contributions to NSC economic studies came from the Treasury Department, and only 30 percent from State. No senior interdepartmental group of economics was organized. Receiving little attention from Kissinger, the NSC's own economic specialists carried no bureaucratic clout. Kissinger's remedy in 1970 was to suggest formation of a Council of International Economic Policy, which was finally created in early 1971. The new body, however, has yet to get off the ground, for it is not comparable in prestige, influence, or expertise to the regular Kissinger NSC staff. The State Department, which argues that half of its work is normally economic, continues to oppose the rationale for a foreign economic council, because, professional Foreign Service officers argue, economics and politics cannot be separated. Thus it was the Treasury and the President's domestic advisers, not State or the NSC, that formulated Nixon's new economic politics of last August 15.

The NSC's second weak spot, intelligence, is probably Kissinger's greatest personal disappointment. He had once said that the test of statesmanship was the ability to anticipate and evalute threats before they occurred. His passion for objectivity and commitment to rigorous analysis appear in this case to have fallen afoul of the disorganized chaos of the multiple intelligence agencies in the U.S. government.

One major exception to this general failure stands out. The single field in which an "agreed factual basis" for policy formulation has been more or less achieved has been SALT. Kissinger claims, "The Verification Panel has made 98 percent of intelligence disagreements disappear." The reason: policy-makers and intelligence analysts sit on the same panel and directly argue out their differences over facts and policies. On most other questions, the rigid distinction between "operators" and "analysts" is maintained; it is established doctrine in the intelligence community that these two types of officials be kept separate. But Kissinger has been plainly unhappy with what he calls "the theologians of intelligence," officials more interested in advancing their particular agency interests than with seeking rigorously rational answers to difficult government-wide questions.

Six types of ambiguity in the modern CIA

Kissinger uses the euphemism "intelligence ambiguities" rather than "failures" to blunt the public thrust of his private unhappiness. Details of at least six such "ambiguities" are widely known, and one assumes there are additional cases which have not yet surfaced in public. Washington received no advance warning of the September 1969 revolutionary coup in Libya. Similarly no notice was given of the coup against Prince Sihanouk in Cambodia in March 1970, mainly because no CIA agents had been stationed in the country, at the insistence of Senate Majority Leader Mike Mansfield. No definitive evaluation was made all through 1969 of the importance of Sihanoukville to the North Vietnamese supply build-up in the "sanctuary" provinces opposite the main population zones of South Vietnam, because of disputes over the evidence. (The Defense Intelligence Agency [DIA], it eventually turned out, had been more correct than the CIA.) Another failure, apparently one of poor coordination within the U.S. government, was the inability to act on advance knowledge that the North Vietnamese might quickly marshal 35,000 troops against the 17,000 South Vietnamese forces in the Laotian incursion of February 1971. In the blighted Defense Department opera-

tion of November 1970 to recue U.S. prisoners of war at Sontay in North Vietnam, intelligence officials failed to report the obvious conclusion, on the basis of available evidence, that the prisoners were probably no longer there. The internal logic of the admittedly incomplete information on hand—credibility, verifiability, perishability—pointed clearly to that conclusion, particularly after agents on the ground failed to get close enough to Sontay in time for confirmation. Finally, there was the failure of timely aerial reconnaissance just before the August 7, 1970 Israeli-Egyptian cease-fire along the Suez Canal took effect.

In addition, NSC staffers criticize the looseness of mental discipline ("sponginess" in Kissinger's phrase) which seems to infect nearly all intelligence bodies. IG and NSC officials working on National Security Study Memoranda have often been unable to "pry loose" from CIA basic intelligence evaluations of the subject under study; too frequently intelligence estimates have had a cautious, "cover-all-bets" quality not very useful to policy-makers; and coordination between NSC studies and CIA's own internal studies has been less than complete. The quality of intelligence assessments varies widely, and the NSC has been unable to develop any agreed yardstick to "evaluate the evaluators" and root out hidden assumptions. Hence, intelligence estimators remain essentially their own judge and jury. Their biases, according to NSC officials, include a narrow concern for the special interests and "missions" of their particular agencies, over-emphasis on foreign capabilities as opposed to intentions, and "cold war" blinders that may exaggerate both the importance of a given foreign event to the U.S. and the involvement or advantage gained by Communists. The policy-makers say they want intelligence "on tap, not on top," and sometimes show considerable impatience with the "speculative opinions" of intelligence briefers. But they have not found a method to insure against future "ambiguities" and to provide the better structure and controls now lacking.

These criticisms fall impartially on the Defense Intelligence Agency (too big, not professional enough, Service-oriented) and the Central Intelligence agency (self-serving bias on SALT judgments). In addition, the NSC is concerned about the confusion generated by mission-motivated estimates among millitary G–2 intelligence sections in large subordinate theater commands overseas. In their eagerness to accomplish a mission, G–2 staffs may be more prone to wishful thinking than others without similar stakes, and they tend to slip away from effective control from the top. At the same time, there are generals who use their stars to short-circuit or unbalance G–2 procedures. There is a habitual oversell of Air Force capabilities which complicates equitable consideration of intelligence targets. There is, finally, a disposition among some genreals to weigh all intelligence in the light of an ultimate nuclear war against the Soviet Union. This produces an unbalanced outlook, making most intelligence seem either inconsequential or overpoweringly important; it contributes to a national security syndrome of nuclear preoccupation which has overshadowed foreign policy for a generation. Because of these shortcomings, Defense Secretary Laird is at last undertaking a wholesale review of the intelligence operations of the Defense Department.

A final missing element in the intelligence process is caused by the long-standing unwritten prohibition against including intelligence evaluations any explicit consideration of U.S. policy interests or resources. Knowledge of the policy options available to the U.S. could well affect the assesssment of many foreign situations. The ironclad exclusion of these policy possibilities from intelligence evaluations prevent the factor of the American presence in a foreign area, whether active or passive, being given weight as one important element in the equation. Similarly, foreign and adversary perceptions of U.S. interests and of what the United States might do or fail to do in a given situation are frequently left out of intelligence evaluations for the NSC. These omissions work against the grain of the Kissinger method: the sorting out of every implication of an issue by close adherence to the screen of U.S. purpose, which shakes out the pattern of priorities.

The Options Game

How realistic are the famous "options"? Judging by the results thus far, Nixon has been better served by his more formalized national security advisory system than either Lyndon Johnson or John K. Kennedy were served by their informal systems, even though it was Robert McNamara, as Defense Secretary to the two predecessor Presidents, who first made the options concept fashionable. The idea was simple enough: serve up the President a bundle of alternatives.

But one sometimes wonders, while prowling the White House basement, whether often-repeated phrases like "keeping the options open" and "the President's spread of options" don't have more a liturgical than an intellectual significance. The options mystique has even inspired some critics to accuse Kissinger of cynically circumventing the bureaucracy by hogtieing it to meaningless NSC studies while he and his staff focus on the essential issues. The charge would have more plausibility if Kissinger were indeed the Nietzchean superman his critics assume—and commanded a sufficient number of junior supermen to perform the whole job in the White House.

The path from Kissinger wish to NSC consummation has been by no means easy. President Nixon, recalling the recommendations of the Eisenhower Administration NSC, felt they had been too homogenized. In the Johnson regime, the NSC did not act as a functioning process binding agencies together; by contrast with the Nixon system, the Johnson NSC was practically nonexistent. And Johnson staffers only infrequently and informally presented the President with options. After all, it was felt, "There were only one or two sensible things to do."

So Kissinger upon entering the White House basement found little rough and ready argumentation among bureaucrats over alternative policy courses. He inherited, instead, the bureaucracy's time-tested habit of elaborate, negotiated "consensus" among subordinate officials and agencies (with an occasional dissenting view included as a footnote) *prior* to their submission of advice to the President. He shook this system up by passing out new kinds of study-assignments. Harvard professor that he is, he made the bureaucrats write theses, and proved to be a tough grader. He rated many of the early NSC studies no better than "C"—barely passing. He also came to recognize that the options game could frequently be a disguised form of special advocacy: two or three obviously untenable "straw options" served up alongside only one clearly realistic choice.

What is less clear is whether the NSC options game shades analysis toward competition within the bureaucracy for discovery of the cost striking plausibility that can appeal to the holders of political power. By stimulating foreign affairs officials to engage in an adversary process, does one perhaps change the whole focus of the system toward scoring bureaucratic points on opponents, rather than defining national objectives and deciding how best to attain them?

And there may be a final dilemma, evident in the unhappiness of the Nixon NSC with the intelligence it is getting. Intelligence evaluators, by the very nature their function, restrict options: their role is to determine likely, "reliable" outcomes, probable and feasible patterns of events. The role of the President's men, on the other hand, is to avoid being squeezed into one course, and to maintain and expand the options.

The product of all the memos and meetings, questionnaires and options is the refined raw material of Presidential decision-making, the identification of what opportunities and escape-hatches are open to the nation's leadership. To date, Nixon's foreign policy record has indicated the seizure of opportunities, and so the NSC process that made those opportunities apparent must be judged a success.

NATIONAL SECURITY STUDY MEMORANDA

1969

1: January 21 Vietnam
2: January 21 Middle East
3: January 21 Military Posture
4: January 21 Foreign Aid
5: January 21 Japan
6: January 21 NATO
7: January 21 International Monetary Policy
8: February 3 U.S. Military Forces
9: January 23 Review of International Situations
10: January 28 East-West Relations
11: January 28 Nigeria
12: January 30 Contingency Planning
13: February 5 Non-Proliferation Treaty
14: February 5 China
15: February 3 Latin America
16: February 5 Trade Policy
17: February 6 Middle East
18: February 7 Peru

19: February 11 Vietnam
20: February 12 Disarmament
21: February 13 Vietnam
22: February 13 Vietnam
23: February 20 Defense Budget
24: February 20 Military Posture
25: February 20 Nuclear Test Ban Treaty
26: February 21 South Asia
27: February 22 Korea
28: March 13 SALT
29: March 12 Vietnam
30: March 19 Middle East
31: March 19 Malaysia and Singapore
32: March 21 Cuba
33: March 21 Middle East
34: March 21 Korea
35: March 28 Trade with Communist China
36: April 10 Vietnam
37: April 10 Vietnam
38: April 10 Asian Policy
39: April 10 Southern Africa
40: April 11 Israel Arms
41: April 11 Seabeds Treaty
42: April 11 Peru
43: April 15 NATO
44: April 19 NATO
45: April 21 Foreign Aid
46: April 21 Spain
47: April 21 France
48: April 24 Tariff Preferences
49: April 24 Trade Policy
50: April 26 Naval Forces
51: April 26 Thailand
52: April 26 Greece
53: April 26 Korea
54: April 29 Naval Shipbuilding
55: April 30 France
56: May 14 Uranium Enrichment
57: May 23 Civil Defense
58: May 26 Civil Defense
59: May 28 Chemical-Biological Agents
60: May 29 France
61: June 23 Indonesia
62: July 2 SALT
63: July 3 Sino-Soviet Relations
64: July 8 Military Capabilities
65: July 8 NATO
66: July 12 Persian Gulf
67: July 12 Brazil
68: July 12 Latin America
69: July 14 Asia Nuclear Policy
70: July 22 Haiti
71: August 14 Advanced Nat'l. Security Technology
72: September 4 Space Cooperation
73: September 16 Philippines
74: September 17 Laos
75: September 23 Turkey
76: September 27 Laos
77: October 8 Program Budgets
78: October 8 Deferment Policy
79: October 13 European Community
80: October 27 President's Annual Review
81: November 6 Israel
82: November 6 Israel
83: November 21 European Security
84: November 21 U.S. Forces in Europe
85: December 31 Toxins

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86: January 2 Panama Canal
87: January 22 North Africa
88: February 12 Italy and North Mediterranean
89: February 12 Southwest Africa
90: February 26 Mediterranean
91: March 27 Preferential Trade Arrangements
92: April 13 Mutual Balanced Force Reductions
93: April 13 Middle East
94: May 25 Indochina
95: June 6 Indochina.
96: July 23 Laos Peace Initiatives
97: July 24 Chile
98: August 10 Israel Arms
99: August 17 Southeast Asia Strategy
199: September 1 French Military Cooperation
101: September 14 Uranium Enrichment Defense Needs
102: September 21 President's Annual Review
103: September 26 Middle East
104: November 9 Indian Ocean Navies
105: November 13 Middle East Future
106: November 19 China
107: November 19 U.N. China Admission
108: December 10 Latin America
109: December 19 South Asia
110: December 22 Indian Ocean
111: December 29 Germany and Berlin

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112: January 7 Vietnam Riot Control
113: January 15 Declassification Official Documents
114: January 15 Oil
115: January 25 Africa
116: January 26 Greece
117: February 16 Caribbean
118: February 16 Pakistan
119: February 20 Soviet Navy
120: February 19 Peaceful Use Atomic Energy
121: April 13 NATO
122: April 15 Japan
123: April 17 U.S.-U.K. Relations
124: April 19 Communist China
125: April 21 Oceans Policy
126: April 22 Civil Defense
117: May 27 Australia-New Zealand
128: June 4 Arms Control
129: June 15 Yugoslavia
130: June 18 Cyprus
131: June 23 U.S. Foreign Investment
132: June 28 Nuclear Arms Control
133: July 2 Southeast Asia
134: July 15 Iceland
135: July 17 Malta
136: July 30 Berlin
137: September 22 President's Annual Review of Foreign Policy
138: October 2 European Security Conference

FOREIGN POLICY No. 5 WINTER, 1971–72

THE NIXON NSC (2)—CAN ONE MAN DO?

(By I. M. Destler)

The clandestine journey of Henry Kissinger to Peking was a tactical coup such as no other high American foreign policy-maker has achieved for many years. It also offered a dramatic illustration of the Nixon-Kissinger style. The circle of men in on its preparation was very restricted. And it involved one of

those large issues of strategic choice which both the President and his Assistant for National Security Affairs consider to be suitable outlets for their talents.

Together with other summer 1971 developments—a Berlin agreement, apparent progress in the SALT talks—the new China policy has brought enhanced prestige to the Nixon Administration and its foreign policy-making institutions. Even Dean Acheson, in one of his last writings, was moved to temper his disapproval of the White House staff role in foreign affairs.[1] Yet despite frequent discussion of Kissinger as an individual, seldom do outside analysis take a serious look at the strengths and limitations of the Nixon foreign policy-making system more generally. It has given us an unusually effective Presidential Assistant. But is it enough for President seeking to control the foreign affairs bureaucracy to have as his predominant instrument one talented White House adviser supported by a 50-man professional staff?

The Shape of the System

When Kissinger came to Washington he told a number of people of his determination to concentrate on matters of general strategy and leave "operations" to the departments. Some dismissed this as the typical disclaimer of a new White House staff man. Yet much in Kissinger's writings suggests that his intention to devote himself to broad "policy" was real. He had repeatedly criticized our government's tendency to treat problems as "isolated cases," and "to identify foreign policy with the solution of immediate issues" rather than developing an interconnected strategy for coping with the world over a period of years.[2] And his emphasis was primarily on problems of decision-*making*. He defined the problem basically in terms of how to get the government to settle on its major policy priorities and startegy, and had been slow to recognize the difficulty of getting the bureaucracy to implement such a strategy once set.

Kissinger found a kindred spirit in a President whose campaign had denounced the Kennedy-Johnson de-emphasis on formal national security planning in favor of "catch-as-catch-can talkfests." And the system he put together for Nixon is designed above all to facilitate and illuminate major Presidential foreign policy choices. Well over 100 "NSSM's" (National Security Study Memoranda) have been issued by the White House to the various foreign affairs government agencies, calling for analysis of major issues and development of realistic alternative policy "options" on them. These studies are cleared through a network of general interdepartmental committees responsible to Kissinger, and the most important issues they raise are argued out before the President in the National Security Council. Nixon then makes a decision from among the options, usually "after further private deliberation." [3]

No one pretends that matters end there, that implementation of the decision follows automatically. The Nixon system provides for coordination of actual agency operations in several ways—in the work of Kissinger's 23-man "Operations Staff"; in crisis coordination by the Kissinger-chaired Washington Special Actions Group (WSAG); in the Secretary of State's formal role of overseeing "the execution of foreign policy"; and in the operational coordination work of the interdepartmental Under Secretaries Committee headed by his deputy. Still, the system as designed and described clearly treats the carrying out of Presidential aims as a secondary problem. Whereas Kennedy, in McGeorge Bundy's oft-quoted words, "deliberately rubbed out the distinction between planning and operation," [4] Nixon has sought to restore it. Rejecting the Kennedy-Johnson assumption that the problem of Presidential control over foreign policy is mainly one of intervening in operational issues to bring day-to-day bureaucratic actions into line with Presidential wishes, Nixon has emphasized the priority of "policy" over "operations." As he expressed it in his first general foreign policy message to Congress: "In central areas of policy, we have arranged our procedure of policy-making so as to address the broader questions of long-term objectives first; we define our purposes, and then address the specific operational issues." [5]

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[1] Dean Acheson, "The Eclipse of the State Department," Foreign Affairs, July 1971, esp. pp. 603–6.

[2] Henry A. Kissinger: "The Policy-Maker and the Intellectual," in Jackson Subcommittee, organizing for National Security, Vol. II, 1961, p. 257; "Domestic Structure and Foreign Policy," Daedulus, Spring 1966, p. 515.

[3] Letter from Kissinger to Senator Henry Jackson, reprinted in Jackson Subcommittee, "The National Security Council: Comment by Henry A. Kissinger," March 1970, p. 2.

[4] Letter from Bundy to Senator Jackson, September 1961, reprinted in Jackson Subcommittee, Organizing for National Security, Vol. I, p. 1338.

[5] Richard M. Nixon, United States Foreign Policy for the 1970's: A New Strategy for Peace, February 18, 1970, p. 12.

The Nixon system is well-designed for forcing consideration such "broader questions." Unlike in the Eisenhower system it partially emulates, the National Security Assistant and his staff are responsible for the whole range of Presidential foreign affairs business whether NSC-related or not. Thus the Nixon regime has a central policy official and group to run its "system" and force departments and agencies to take it seriously. The fact Kissinger very quickly became Nixon's key foreign affairs official gave the new procedures about as much bureaucratic standing as any could ever hope for.

Still, the formal NSSM exercise seems to have been only a partial success. It appears to have been particularly important on one issue—Nixon's decision to renounce use of biological weapons. Here the options device made it possible for the question to be brought before the President without the Secretary of Defense getting the heat from the military services that formal advocacy of renunciation would have brought him. For similar reasons, the system apparently facilitated the decision to return Okinawa to the Japanese.

Yet interviews with a number of officials involved suggest that the system has developed some serious problems. The number and comprehensiveness of the studies has been sufficient to create a serious bureaucratic log-jam. And what departments present as "options" are often just advocacy in more sophisticated guise, like the Johnson-Nixon tendency to present our Vietnam choices (at least for public consumption) as: (1) blow up the world, (2) continue the present policy, or (3) scuttle and run. For these and other reasons, at least some of the studies may result in the worst of both worlds. They may be too important to disregard given the commitment of the principal officials to (and investment of bureaucratic time in) the process, so Kissinger and his staff must devote considerable attention to them. Yet they may not be sufficiently useful to the President to serve as actual decision documents for him, thereby creating a malaise among the bureaucrats who prepare them.

More fundamental than the utility of this particular procedure, however, is the larger question of how effectively the President can control the bureaucracy through a limited number of specific decisions, however sophisticated the system is in facilitating them. Is the basic problem, as Nixon has characterized it, that of making possible "rational and deliberate" Presidential choices which can then rather easily shape actions on "operational issues"?[6] Or is it more accurate to think of policy as his predecessors did, as evolving mainly from bureaucratic actions taken day by day, with a consequent need for the President to exercise continuing influence on these?

The limits of strategic decisions

If Kissinger did not already know it, he learned quickly that the strategic thinker remains an exclamation point in the margins of foreign policy-making if he does not join in bureaucratic battles to give general objectives operational meaning and effect. In December 1968 he may have talked of staying out of operations, but by July 1970 he was stressing how getting a decision made was not enough:

> ". . . the outsider believes a Presidential order is consistenly followed out. Nonsense. I have to spend considerable time seeing that it is carried out and in the spirit the President intended."[7]

Thus the Assistant to the President found personal involvement in operations critical to his influence and to the central role both he and the President wished him to paly. On preparations for the Cambodia incursion, for example, there could be no practical separation between the "policy" judgment of what to do and the decisions about particular military operations, and the President inevitably wanted the same man to handle both for him. And because he has become the President's key man, Kissinger is under enormous operational pressure from below as well, since "getting to him" seems to many others to be *their* best hope for effective influence.

But the way the system concentrates power and Presidential access in Kissinger's hands—which makes sense if the main problem is one of assuring a limited number of wise Presidential decisions—becomes counterproductive if strategic decisions are not enough. For if one believes that day-to-day involvement in

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[6] Ibid., pp. 12–13.
[7] Quoted by Saul Pett in "Henry A. Kissinger: Loyal Retainer or Nixon's Svengali," Washington Post, August 2, 1970, p. B3..

operations is essential to the shaping of policy, the problem of achieving Presidential control assumes far larger dimensions. Questions of "implementation" and "operational coordination" become vital. Those in high positions cannot limit themselves to broad decisions; they must engage in continuing bureaucratic combat. This takes vastly greater amounts of time and energy. It limits the number of issues one man can effectively influence, however great his leverage. Consequently, it increases the number of men a President requires to fight his battles if he is to make the foreign affairs government his own. The question then becomes whether building strength in the White House is enough, even if Kissinger can dominate the issues on which he can concentrate. The need would seem rather to go beyond this, to have other officials at key places in the foreign affairs government who are responsive to the President's priorities, and armed with the leverage and the staff support to influence policy in Presidentially-preferred directions.

And this is precisely what the Nixon system has failed to do. It has not built centers of strength responsive to the President in other parts of the foreign affairs government. The coordinating committee system designedly undercuts one such potential center—the State Department's Seventh Floor [8]—by having the regional Interdepartmental Groups (IG's) chaired by Assistant Secretaries of State report directly to Kissinger. For a while, Under Secretary Elliot Richardson's exceptionally good relationship with Kissinger mitigated this problem, and Kissinger's known confidence in him made him an effective agent in bringing Presidential priorities to bear on a range of departmental activities. But Richardson's successor has no such relationship, and the Under Secretaries Committee on which much of the formal operational coordination burden is supposed to rest has had to refer all significant differences to Nixon or Kissinger. Nor has the President done much to make State's regional Assistant Secretaries responsive to him either. Four out of five are not political appointees but career Foreign Service officers, and the IG's they chair have been minimally active, serving not as vehicles for Presidentially-attuned leadership but as formal coordinators of White House-assigned studies.

The situation at Defense is worse. Secretary Melvin Laird appears to view his role as that of a shrewd adjudicator of military service interests, rather than a McNamara-type leader seeking to bring defense programs into accord with Presidential priorities. Laird has encouraged the weakening of two key staff offices whose role had been to challenge service interests in the name of such wider priorities. The Office of International Security Affairs (ISA) has become the home of a group of not very influential right-wing officials. The Systems Analysis office quickly lost its main source of strength—a Secretary who uses its analyses as an important factor in his decisions.

The costs of such weakness to the President have apparently been considerable. Just as, by Arthur Schlesinger's account, it took Kennedy two years to get our diplomats to "indicate discreet sympathy" for Italy's opening to the left, Nixon's similar failure to make the State Department a Presidential instrument meant an unavailing effort to get State to do more about Biafran relief. The weakness of ISA may not be entirely unrelated to the delays in implementing the directive ordering destruction of biological weapons stockpiles. And the lack of a strong alliance with the Office of the Secretary of Defense has undermind White House staff efforts to bring broad policy priorities to bear on the defense budget under the rubic of the Defense Program Review Committee.[9]

And not only has the Nixon system failed to build strength beyond the White House. In the way it has operated, it has tended to limit the influence of men on the NSC staff itself.

The Attrition of the Staff

In February 1969, Washington was awed by the strength and depth of the Kissinger staff. By September, it was talking about how many were leaving. Ten of the 28 men on the February 6 staff list were absent from the list issued September 25, not counting one person who decided not to come on board at all. And as impressive as the number of men who left was their quality—Morton Halperin, a former Deputy Assistant Secretary of Defense; Richard Sneider,

[8] Where the offices of the Secretary of State and his Under Secretaries are located.

[9] On Italy, see Arthur M. Schlesinger, Jr., A Thousand Days (Boston: Houghton Mifflin, 1965), pp. 876–81; on Biafra, *see* Elizabeth B. Drew in Atlantic, June 1970, pp. 4–30; on biological weapons, see Seymour M. Hersh, "U.S. Still Retains Weapons It Renounced," Washington Post, September 20, 1970, p. B1.

a State Department Asia expert; Richard Moose, the co-author of an Institute for Defense Analyses study on foreign affairs organization; Spurgeon Keeny, a long-time specialist in arms control. May 1970 brought five more important resignations, three of them Cambodia-related. By summer 1971 only about one-quarter of Kissinger's original 28 staff professionals were still on board.

Just as attracting impressive staff men had been a major success, the inhability to hold them was a major failure. The root problem was that thought Kissinger's personal influence was virtually unassailable, his staff members found themselves operating from positions of substantially lesser strength. They were denied direct access to Nixon, and the leverage that would bring. Moreover, many found it difficult to make contact with Kissinger, so preoccupied was he with fending off multiple pressures and meeting the President's considerable demands.

But the problem was not just contact. The most important senior staff people apparently could get to him the same day if they needed to, though they often had to wait until late evening. More serious was the matter of support, the degree to which staff members could act in Kissinger's name, the extent to which he wanted them to act and would back them up. Even if denied the power that comes from a direct Presidential relationship, staff members could hope for substantial if lesser leverage if they were known to speak for Kissinger, or at least had relationships with him where he recognized the importance of giving them support.

It seems clear that in general they have not gotten this support. This grew to be recognized rather widely in the bureaucracy. It may not have undercut their effectiveness too much on matters (like National Security Studies) which would ultimately rise to the White House, but it has hurt them rather seriously in efforts to influence ongoing bureaucratic activities. Partly for this reason, a number of good men have left. And while other have replaced them, they have increasingly been career officials on detail rather than independently-recruited men owing prime allegiance to the White House.

Can the National Security Assistant Manage Foreign Policy?

Thus what in certain respects is the main strength of the Nixon system—the unique leverage it gives to the prime policy official—turns out to be a source of major weakness as well. Kissinger is inundated with pressures from all directions to do things that no one else save the President has the influence to do. The pressure to serve Nixon effectively encourages Kissinger and his staff to handle things more and more in-house, thereby increasing the gap between the President and the bureaucracy that the system was supposed to bridge. Yet even the staff finds itself on weak ground.

Obviously much of the problem is personalities. Kissenger's inability to delegate authority is well-known and widely-decried. So is Nixon's preference for handling issues through a small number of people rather than reaching out to the larger government. Many of the difficulties of the system reflect the fact that no one seems to be really trusted by Nixon and Kissinger but Nixon and Kissinger.

But the problem goes beyond individual personalities and styles. Kissinger's failure to support his staff—or to build other centers of strentgh responsive to him and the President in the broader bureaucracy—seems to reflect not just a regrettable individual trait. A careful look suggests that he is being asked to play two incompatible roles. His role as *personal* staff adviser demands that he place top priority on meeting the President's immediate, daily needs, handling the President's own personal foreign affairs business. His over-all influence is inescapably tied to doing these things to the President's satisfaction. But this means subordinating his *institutional* role as kingpin of the NSC system and director of the largest White House foreign policy staff in history. For the latter requires not just service *ad hoc* on immediate President priorities but comprehensive management of a broad range of issues, not just responsiveness upward but responsiveness downward, so that he can confer on those who must wage many daily battles on behalf of him and the President sufficient leverage to have a fighting chance of prevailing.

Why should the two roles conflict? One reason is time. Kissinger's personal service to the President leaves him markedly less time to support staff members or other bureaucratic allies in their battles and see that *their* needs for effectiveness are met. But the problem seems more fundamental. The Assistant to the President must protect his boss' flexibility; to do this he must guard his own.

But his subordinates need authoritative guidance and the presumption of support. Without this they cannot help the Assistant make his influence truly comprehensive. Ten years ago the Jackson Subcommittee warned that the institutional responsibilities of a foreign affairs "super-Cabinet" official could "mitigate against the maintenance of his close, confidential, personal relationship with the President." What we seem to have now is the converse—a man whose unavoidable decision to give priority to this personal relationship weakens his institutional role.

When considering the problem of building strength outside the White House, moreover, there is the question of whom Kissinger might "delegate" authority to even if he could. Strong, Presidentially-minded regional Assistant Secretaries of State would be immensely helpful to a President seeking to control the bureaucracy. Yet they do not work for Kissinger in form (except as chairmen of the IG's), and it is not difficult for a Secretary of State sensitive about his own authority to find ways to limit their doing so in practice.

Two Types of Issues

The system then tends to divide issues into two types—those where Kissinger can be effectively engaged, and those where he cannot. The former may receive broad, high-quality analysis, and be resolved in the way the President would wish. But the latter tend to drift and be governed by minimal, temporizing decisions or bureaucratic compromises, since no one has a sufficient power base to lead toward more serious action without threat of an embarrassing reversal. And because Kissinger must involve himself so deeply in the details of issues like Vietnam or China or the SALT talks, the list of issues neither he nor others can master for the President has grown quite large. The effort to control the defense budget through a Kissinger-chaired committee has proved but a paper solution to that large problem. Our policies toward major African and Latin-American countries seem to have gotten very little Presidential treatment. The system's failure to deal effectively with economic issues has been recognized in the establishment of a new Council on International Economic Policy which parallels the NSC. And though President Nixon was able to take vigorous economic policy action in August—apparently due above all to strong advocacy by our new Secretary of the Treasury—no adviser from either the State Department or the NSC staff was intimately involved. This lack of any close participant (other than Nixon) with major general foreign policy responsibilities could prove quite costly to the success of the economic program, and to our relations with Japan and Europe.

Such weaknesses would never have developed issues like these could be controlled by a few Presidential "decisions." But if a large part of foreign policy inevitably grows out of day-to-day actions taken and commitments made by officials outside the White House, a foreign affairs control system must build centers of strength responsive to the President around key officials in the larger bureaucracy, or much of what the government does will fall outside of Presidential influence. The Assistance to the President for National Security Affairs is singularly ill-placed to concentrate on building such centers of strength. He is dominated by the immediate demands of the President. He lacks a general hierarchy of line subordinates to whom to delegate authority and confidence, even if this did not conflict with his role as personal adviser. He would therefore seem to be a poor man on whom to build an institutional system for the over-all coordination and management of foreign policy.

But do we have any choice? If the difficulties of the Nixon system are tied to limitations inherent in the job of the Assistant to the President for National Security Affairs, this suggests renewed attention to the possibility of building foreign affairs coordination around the only other serious candidate, the Secretary of State. But would the Secretary be able to do what the Assistant cannot? Could he combine responsiveness to the President with responsiveness to key officials below him who are needed to master issues that the top men haven't the time to master themselves?

The Secretary seems better placed to build up such subordinates. His job is less dominated by personal staff service to the President than is the Assistant's. And unlike the Assistant, he has important line officials to "delegate" authority to—Under Secretaries and Assistant Secretaries of State. The question is whether he could serve the needs of these subordinates and still remain the President's man, whether he could make the State Department into an instrument of the President and not the other way around. At minimum, he would need to conceive

of his job not as "chief diplomat," but as leader and director of over-all government foreign affairs activities. He would need to weigh all elements in a problem—not just "diplomatic" and "political" but also military and economic—and seek a resolution of that problem consistent with the President's broad responsibilities and priorities. To maintain such a role, he would need a strong personal staff not identified with the traditional Department or Foreign Service. And his key subordinates would need to be men loyal primarily to him and the President, rather than to the career service.

This is doubtless a large order. Yet it does seem an impossible one if a President comes into office determined to bring it about. The alternative is to continue with a foreign affairs government where the President cannot extend his control beyond that small number of issues which are on the front burner in the White House kitchen.

STATEMENT OF SENATOR EDMUND S. MUSKIE IN BEHALF OF S. 3142, SOVIET JEWISH REFUGEE ASSISTANCE ACT OF 1972

Thank you for this opportunity to testify for my bill, S. 3142, the Soviet Jewish Refugee Assisttance Act of 1972. This bill would authorize the Secretary of State to furnish $85 million of assistance for the resettlement of Soviet Jewish refugees in Israel. I hope that the Foreign Relations Committee will respond favorably to this proposal and include this measure as part of the Department of State authorization for fiscal year 1973.

The plight of Jews in the Soviet Union has for some time been a matter of great concern and sorrow in this country. We cannot fail to be greatly moved, because of our own tradition of religious and personal liberty, with the example of a minority in the Soviet Union struggling against such overwhelming odds to preserve its ancient religious and cultural traditions in what appears to be an increasingly hostile environment. In recent years the attention of the world has been focused sharply on the plight of Soviet Jewry by the victims' own courageous public protest and demand for the right to emigrate to Israel.

In Congress there has been several bi-partisan efforts to call attention to this problem and to do what little we can to influence the Soviet Government in the direction of a nondiscriminatory policy toward the Jewish people of the U.S.S.R. We have tried to render what small assistance we can to the struggle of this brave people to maintain their identity and their right to worship God as they see fit. And we must continue to do what we can as long as repression of the Jewish people continues in the Soviet Union.

But in recent months there has been a surprising new development in Soviet policy. The motivations remains obscure, but the results are dramatic—a sudden increase in the number of Soviet Jews allowed to emmigrate to Israel. In 1 month of December 1971, three times as many Jews emmigrated from the Soviet Union as in all of 1970. The increased rate is continuing in 1972, and it is now anticipated that between 40,000 and 60,000 Soviet Jewish immigrants will arrive in Israel this year.

On January 8 of this year, I suggested in a statement that the United States should be prepared to assist these refugees resettle in Israel—for it is to Israel that they strongly desire to go. I pointed out that this new Soviet policy was a blessing—but a blessing accompanied by staggering financial and social burdens for Israel. We know from our own experience, with some 650,000 Cuban refugees in the past 12 years and some 30,000 Hungarian refugees in 1958 and 1959, how difficult it is to absorb substantial numbers of refugees—and we are a Nation of more than 200 million.

For Israel's 3 million people, the task is awesome. Given our relative populations, it is as if the United States was suddenly confronted with the need to absorb into its social and economic structure an additional 2 to 3 million people, roughly the size of Philadelphia or Los Angeles. Housing must be built, food provided and jobs created. A new language must be taught. Health and educational facilities must be found. New communities must be developed. Counseling and training are required. None but the Israelis can build the homes, teach the languages, find the jobs, and otherwise pay the social costs of giving freedom to Soviet Jews. But there is a financial cost as well—estimated at several hundred million dollars—and that is something I believe we can and must help with.

I believe there are three principal reasons to justify such assistance:

First, since World War II, the United States has contributed more than $2.8 billion to refugee assistance, directly and through intergovernmental organizations. We spent close to $600 million to assist Cuban refugees. From 1947 to 1951, we contributed $237 million to the International Refugee Organization. In the early 1950's, we contributed almost $85 million to aid Korean refugees. And for Arab refugees, we have contributed more than $500 million. We have never forgotten that we were founded and populated by the refugees of an earlier world. Our commitment to this cause is inscribed on the base of the Statue of Liberty.

Second, there is the long history of our concern with persecution on account of religion and, in the last half century, particularly with the persecution of Jews. Beginning in the early 1900's, our national leaders have fought for the freedom and dignity of the world's Jewish community. We played a major role in the creation of Israel; we have been its firm defender ever since.

Third, beyond humanitarian concerns, there is our clear self-interest in the health and well-being of Israel. War is not the only danger to a healthy Israel. Economic disaster can accomplish what war could not, if we let it. A country the size of Israel, with its heavy defense burdens, cannot afford the several hundred million dollars that will be required for the anticipated influx of Soviet Jews over and above Israel's normal budget for immigrants—and Israel has already spent enormous sums in recent years receiving and integrating hundreds of thousands of Jewish immigrants from Middle Eastern countries.

For all these reasons I have introduced my bill to provide $85 million of assistance to Israel. I believe $85 million is a realistic figure as an initial commitment, even though the financial burden on Israel for resettling these new immigrants will come to several times this amount. If the current rate of immigration from the Soviet Union continues next year and into the future, we would most certainly want to consider additional assistance.

Moreover, I believe that the Office of Refugee and Migration Affairs of the Department of State is the most appropriate office in government to administer this assistance. The Department of State has already been designated by the President as the administering authority for our refugee assistance programs abroad. The Office of Refugee and Migration Affairs is already providing some funds, albeit at a very modest level, for maintenance costs in Vienna for Soviet Jewish refugees in transit to Israel. It is well-equipped to administer additional funds for refugees in Israel without incurring additional costs in bureaucratic overhead.

I hope, therefore, that the committee will consider this bill as a part of the State Department authorization of FY 1973. S. 3142 is now being co-sponsored by 44 Senators. The need is urgent, and the proposal has a broad base of support in Congress. I urge my colleagues on the committee to respond favorably.

STATEMENT OF JOHN F. GRINER, NATIONAL PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, TO THE SENATE FOREIGN RELATIONS COMMITTEE ON THE MOSS–MILLER–BAYH–MAGNUSON BILLS, AND U.S.I.A. AND STATE DEPARTMENT AUTHORIZATION, MARCH 30, 1972.

The American Federation of Government Employees, AFL–CIO, appreciates the opportunity afforded it by the Senate Foreign Relations Committee to submit supplemental testimony directed to showing the interconnections between several matters before your own and other Committees of the Senate. Among these are the following:

1. Authorization and Appropriation Bills for the Department of State; for the United States Information Agency; and for the Agency for International Development.

2. The Moss–Miller (S. 2662) and Bayh (S. 2659) Bills, providing a statutory grievance appeals mechanism for personnel.

3. The Magnuson Bill (S. 2754), establishing an International Commerce Service separate from the Foreign Service.

4. U.S.I.A. Director Shakespeare's new concepts for promotions to U.S.I. Officers Class–1.

5. General Reform of the Foreign Service.

Common to all these matters is the climate of crisis and urgency affecting the three foreign affairs agencies. The central fact of this crisis is their loss of status consequent to a lack of confidence in them by the White House; by the Congress; and by the general public, especially the business and commercial community.

The internal symptoms of crisis are equally apparent in the demoralization of the officers and employees of these agencies, resulting from arbitrary and capricious personnel policies in the appointment, assignment, promotion and firing through selection out of officers and employees.

I shall direct my testimony primarily to the internal symptoms and causes of crisis. However, I should like first to state that I hope the external causes of crisis will not result in punitive cuts in the budgets of the foreign affairs agencies, rendering them even less capable of discharging their missions. Secondly, I should like to request that sufficient additional funds be authorized and appropriated for salaries and expenses to staff the needed new appeals machinery with competent professional personnel. Funds will also be needed to re-instate officers who had been improperly selected out and to provide restitution to the victims of other past improper personnel practices.

THE ABSENCE OF DUE PROCESS IN THE STATE DEPARTMENT

As you know, our organization has as its main reason for existence the protection of the rights and welfare of all Federal employees. For example, we have always been in the forefront to obtain equitable and just pay rates for Federal employees based on comparability with private enterprise. We have led in the development of proposals for due process in the appointment, promotion and assignment of all career employees based solely on merit without regard to outside political influence or to inside managerial favoritism involving prejudicies based on race, creed, color, sex, age or other personal reasons. We have made it a cardinal principle to safeguard all Federal employees from capricious and arbitrary managerial decisions leading to firings by "selection out" without the protections of an appeals procedure.

We have appeared before your Committee on several occasions primarily to protest against the absence of "due process" in the personnel systems of the State Department and of other Foreign Affairs Agencies. We have submitted evidence showing that the so-called "merit" in the "Foreign Service Merit Promotion System" is in fact a myth. During the Hearings on the Bayh Bill, S. 2659 (originally S. 2023), and the Moss-Miller Bill, S. 2662, we presented evidence as to how both the promotions and the selections-out of Foreign Service Officers are manipulated by the top personnel managers of the Department of State behind a facade of apparent competition on the basis of merit. We showed that the subjective ratings both in the so-called Efficiency Report and in the secret Development Appraisal Report revealed at best the inter-personal relations between the rating and the rated officers.

PAST SELECTION BOARD "RANKING ORDER" PRACTICES

As to the alleged independence of "selection boards" in ranking officers, firm evidence now exists that, in some instances, top managers of the State Department refused to accept the original "rank order" for promotions and selections-out but have sent these back to the selection panels for re-grouping. With very rare exceptions, these selection panels then submitted new "rank order" lists both for promotions and selections-out more acceptable to the State Department's personnel managers.

SELECTION OUT

Regarding "selection out," our organization is fundamentally opposed to this system as it is practiced by the Foreign Service of the State Department.

"Selection out" has been used as a special tool by the State Department to achieve a variety of different goals. First, it has been used to carry out "firings" in reductions-in-force programs. These "selections out" have usually taken the form of "reducing the time in grade" provisions of the precepts sent to the selections boards. Generally, these precepts then also provide that "experience" in grade was not to be considered a positive factor in favor of the rated officer.

"Selection out" has also been used to create new positions for political

favorites. Since the number of positions are fixed in the authorization and appropriation bills, the easiest way to vacate "slots" is to fire the incumbents. Thus, career employees were "fired" by selection out to provide positions for non-career employees.

In neither of these uses of "selection out" was there any provision for a genuine appeals procedure.

Worst of all, "selection out" has been used by the State Department as a kind of subtle and covert diplomatic "witchhunting." Usually, this has taken the form of placing certain officers in the "lowest three, or lowest five, or lowest ten percent of class." Evidence is now available suggesting that some of the officers rated in these "lowest percentages" were previously "marked men." Sometimes they were in disfavor because they had sought to change policies; sometimes because they had refused to submit intelligence reports which would have substantiated or supported established policies. Sometimes, they were "marked" solely because they, or their wives, had incurred the personal enmity of some superior.

Others, it is true, were marked men because management officials, perhaps sometimes rightly and certainly sometimes wrongly, had concluded that they were "unsuitable" for the Foreign Service because of personal character traits. Our organization concedes that in some of these cases, the charge of "unsuitability" would have been sustained by the standards of the American community. However, we object to the use of "selection out" procedures in matters of "suitability" and insist that any person so charged should have the right to defend his career and his reputation under adverse action proceedings. In brief, these officers should be dismissed only for "cause."

The apologists for using "selection out" for the purpose of removing allegedly "unsuitable officers" claim that this procedure saves both management and the officers embarassment through confrontation. They invoke the image of the "McCarthy period" and state that their sole concern in "selecting out unsuitable officers" is the public reputation of the Foreign Service.

We consider this argument specious. We contend that such use of "selection out" deprives the officer of due process. Secondly, it tempts management to abuse and distort the Foreign Service merit system by resorting to surreptitious practices. Recent evidence shows that one of these questionable practices was an "arrangement" between personnel, inspection and security officers in Washington, D.C. with certain cooperating "rating" officers in the field. This "arrangement" involved the insertion by the rating officer of comments in the secret Development Appraisal Report which really originated in Washington but which took the form of an apparently independent judgment by the "rating" officer in the field.

DIRECTOR SHAKESPEARE'S NEW PRECEPTS FOR PROMOTIONS TO FSIO CLASS 1

This year the Director of the USIA, Mr. Frank Shakespeare, has reverted to a practice previously employed by Director Edward Murrow. This practice is to promote Foreign Service FSIO Class 2 officers to Class 1 on a basis not strictly in accord with the rank-order in which they were, or would have been, rated by the Selection Panel.

Director Shakespeare has explained that of the 156 FSIO–2 officers who were rated, thirty-one were listed in the "top quintal" or fifth of their class. Of these 31, fifteen were further designated as "highly promotable" and thus, in fact, they were in the top tenth of their class. Of these "highest 15" officers, Director Shakespeare argued, he should have the right to choose the actual 8 who would be promoted without regard to the specific or rigid rank order in which these top 15 officers would be designated by the selection panel.

In justifying his decision, Director Shakespeare has stressed that the selection panel for this class actually had only four members and that only two of these members were really knowledgeable. These two were FSIO Class 1 officers, with their own personal views about the rated officers. The third member was a Foreign Service Officer of the State Department; the fourth was a so-called "public member."

Director Shakespeare has emphasized that the "public member" did not know anything at all about the rated officers, apart from the files before him. The State Department FSO knew some of the rated officers personallly. And the two FSIO Class 1 officers personally knew most of the 156, at least superficially. Thus the last two members really held the key to the rank-order in which the topmost officers would appear.

Director Shakespeare said that he thought such a panel was not really constituted in such a way as to pass objective final and authoritative judgments so refined and so infallible that the panel could in fact really establish without any doubt as to which officer was genuinely number 1; which was genuinely number 2; etc. In short, his contention is that the best the panel could do was to establish a list of the top tenth of class. Any effort to refine the choice more than that was to ascribe to the panel a mystique of wisdom which it does not in fact possess.

I recommend that the Foreign Relations Committee take note of Director Shakespeare's reasoning because he has described a real limiting factor handicapping Selection Panels as they are now constituted. Their members are asked to make refined judgments beyond their actual capabilities, given the restrictions and the conditions set on them by management.

We are pleased that Director Shakespeare has chosen to make public his reasoning. We are most gratified that he has also publicly taken the responsibility of informing the President and the Congress that he has reserved to himself the choice of the final 8 officers to be nominated. We believe he should be comended for not taking the alternative course, often chosen by the State Department, of trying to return the original list to the panel with the suggestion that the panel submit a new rank-order list more in keeping with his own preferences.

Nevertheless, we regret that Director Shakespeare has not proceeded one step further and joined us in calling for a comprehensive and fundamental review of the other assumptions and other "myths" used in the Foreign Service "selection up or selection out" system.

We also regret that he did not publish the names of the top fifteen officers in the rank order in which the selection panel would have rated them.

We regret that he did not provide some supplemental merit assignment or award for all those officers who were listed higher by the selection panel than the ones he actually nominated.

Finally, we do see certain potential threats to the merit system if Director Shakespeare and his successors adopt his practice without explicit safeguards of the career rights of these officers. These dangers could certainly arise if some FSI Officers Class 2 appeared year after year in the top ten percent and were passed over time and time again. We fear that this situation would in fact arise if a USIA Director remained in office for many years. In this situation, without explicit safeguards for career officers, the merit system in the United States Information Agency would be diminished and compromised.

Thus, while we grant that there is some merit to Director Shakespeare's arguments, we also see those dangers to which he has not been attentive. For this reason, we would be grateful if your Committee held hearings specifically addressed to the question as to what are the genuine abilities of Selection panels to rank officers in strict numerical order. During these hearings, we would submit proposals forbidding any agency official from influencing the seletion panels in any way and strictly limiting the right of the head of any agency repeatedly to disregard the rank order selection by panels rating FSO–2 and FSIO–2 grade officers.

In brief, we believe that a new formula can be devised which preserves the essential elements of a career system; which realistically appraises the actual abilities of selection panels to rate officers; and which still accords management some latitude of its choice of top officers without its having to resort to such covert manipulations of the promotion and selection-out system as now exist in the State Department.

A GRIEVANCE APPEALS MACHINERY—THE MOSS-MILLER AND BAYH BILLS

We have appeared before you previously requesting the enactment preferably of the Moss-Miller (S. 2662) and alternatively of the Bayh Bill (S. 2659). The main substantive difference between these two Bills is that the Moss-Miller Bill provides explicitly for an appeal outside the State Department in the event that the Secretary of State refuses to carry out the findings and recommendations of the Grievance Panels. Otherwise, the Bills are variants of each other.

During the Hearings on S. 2662 and S. 2659, Senator Cooper indicated he had some reservations regarding the composition of the grievance panel which would

hear the petitions of the grievants. Several alternative formulae have been suggested since that time, which would appear to satisfy the conditions of "objectivity" which Senator Cooper wished to guarantee. Thus, there doesn't appear to be at this time any major substantive obstacle to the passage of the Moss-Miller or the Bayh Bill.

We wish to reiterate our previous urgent appeal that your Committee report out this year a Bill establishing by statute a grievance appeals procedure for the Foreign Service. We also hope that such a Bill would not appear later on the floor of the Senate than the authorization Bill which you are currently considering for the Department of State. In the event your Committee, in its wisdom, decided to combine the Moss-Miller or the Bayh Bill with the State Department Authorization Bill, perhaps as a "rider", we would consider that to be a most judicious solution in light of the lateness of the present legislative calendar.

GRIEVANCE BOARDS ARE PART OF ANY PROPER MERIT SYSTEM

Most recently, two separate grievance appeals boards, one under the jurisdiction of the civil service and the other under the old grievance procedures of the Foreign Service, have recommended immediate promotions for two Foreign Service Class–4 officers, Alison Palmer and John Harter. According to press reports, the Board of the Foreign Service has accepted these recommendations and their names will be submitted shortly to the Senate for confirmation as Class–3 officers.

Certain groups, most prominently the American Foreign Service Association, have argued that the Department of State does not have statutory authority to grant these promotions. We reject this contention as legally unfounded.

These groups have also sought to establish a "straw-man" issue, asserting that promotions granted on the basis of the findings of grievance panels are somehow *not* "merit promotions". They have invented the term "compensatory" promotions, to seek to draw a distinction between allegedly "merit" promotions and allegedly "non-merit" promotions.

We should like to recall for the record that every comprehensive personnel "merit" promotion system has an appeals mechanism which is designed to assure that due process in promotions is maintained. The "appeals mechanism" is one of the guarantees, and sometimes it is the only effective guarantee, that promotions shall be made only on the basis of "merit". The findings of the appeals panels in matters of promotions therefore are findings that the merit system itself had been vitiated in some way by improper or illegal actions of the promoting authority. The use of these grievance panels is to keep the "merit" system meritorious.

To argue that appeals systems deal primarily with other issues than "merit" is to suggest that the real purpose of the appeals mechanism has nothing to do with the "merit personnel system" for which it has been established. This argument can be made only if one postulates the "myth" that the real merit system resides exclusively in such bodies as "selection boards", which are presumably infallible in their judgments of "merit".

We are pleased that the Board of the Foreign Service has recognized the need to grant these two promotions; we consider them to have been granted on the basis of "merit"; and we insist that no "merit" system can exist unless it has within it a self-enforcing mechanism to review and to correct denials of equity and justice and due process in any "merit" system.

THE MAGNUSON BILL, S. 2754

The so-called Magnuson Bill, S. 2754, would create a new "International Commerce Service," independent from the Department of State. Under this Bill, responsibility for, and the staffing of, economic and commercial representation abroad would be transferred from the Department of State to the Department of Commerce.

The Bill would also vest in the Secretary of Commerce controls over appointments and promotions and selections out similar to those now vested in the Secretary of State.

We understand that the principal reason for the introduction of this Bill was to respond to the many criticisms from American businessmen about the service provided them abroad by commercial officers of the Department of State. The

Bill's principal goal therefore is to strengthen American commercial facilities outside our borders.

As this Bill is now drafted, however, we feel this principal goal is not likely to be achieved. It is true that the personnel system of the State Department has discriminated against commercial officers, as it has against consular officers, labor attaches, and many other groups who are not members of the "elite." It is true that far too many commercial officers of distinction have left the service because promotions were not available to them; others were fired by arbitrary "selection out."

Nevertheless, we believe that the solution is not to fragment the Foreign Service even further. We believe that the best way to strengthen the commercial facilities abroad of the Foreign Service is to improve personnel practices affecting *ALL* Foreign Service officers and employees, including commercial officers, consular officers, diplomatic officers, technical and staff officers and employees.

Improvement is not likely to come piece-meal. The United States is unlikely to be able to salvage and upgrade part of its international representation abroad by severing it from the rest which is allowed to stagnate at its present level.

For this reason we oppose enactment of S. 2754. We feel, however, that the record should also show that the Foreign Service is in dire need of major reform and reorganization. We suggest that some of the purposes sought by Senator Magnuson might be achieved on the model of the relationship now in existence between the United States Information Agency and the Department of State. If the Congress of the United States is convinced that the Secretary of Commerce must have a greater role in our commercial representation abroad, we subject that it might be useful to ascertain whether the model established for United States Information Officers might be relevant for accommodating also the needs of a more efficient, more specialized career service for commercial Foreign Service officers.

In any event, at this time we are opposed to enactment of the Magnuson Bill as harmful to the best interests both of the United States and of Federal employees.

FICTITIOUS FOREIGN SERVICE RESERVE OFFICER AND THE ILLEGAL F.A.S. CORPS

One of the most prevalent questionable personnel actions of the Department of State is the appointment of "Reserve" Foreign Service Officers solely for duty in the United States. This is in clear violation of the Foreign Service Act of 1946, which requires that these appointments be for positions abroad.

The Department of State recently sought even to go further in its illegal actions by seeking to convert these illegally appointed officers to a new permanent category, entitled Foreign Service Reserve Officer Unlimited, established under P.L. 90–494 which provided a statutory basis for a career Foreign Service Information Officer Corps at the United States Information Agency.

Simultaneously, the State Department announced that it was creating a new Foreign Affairs Specialist Corps to which it would assign all classified civil service employees in officer positions (GS–7 and higher); all Foreign Service Reserve Officers; and all Foreign Service Staff Officers.

Under this program, the Foreign Service Staff Officer Corps would die out. All its current staff officer members would be eligible for conversion to Foreign Service Officer; Foreign Service Reserve Officer Unlimited; or Foreign Affairs Specialist Officer. No new appointments would be made to the Foreign Service Staff Officer Corps.

Significantly, Foreign Service Staff Officer Corps personnel are NOT subject under the Foreign Service Act to "selection out". All FSO, FSIO and FSRU officers are now subject to "selection out"; and all members of the illegal FAS would also have been subject eventually to "selection-out".

Thus, without any statutory basis for its actions, the State Department proceeded to act as a law to itself.

These illegal actions were stopped only by the suit brought by our organization, the American Federation of Government Employees, on behalf of our two locals at the State Department (Local 1534) and at the United States Information Agency (Local 1812).

For the moment, our union has obtained only a temporary injunction and we are in the process of having it made permanent. Despite the fact that we have

made it clear that we are NOT opposed to the conversion of the traditional limited Foreign Service Reserve Officers to career status, as FSRU Officers, the State Department has misled its personnel by pretending that our suit was directed also against them. We wish the record to clearly show that we consider the State Department in further violation of the law by refusing to convert at this time genuine Limited Foreign Service Reserve Officers to permanent status as career Foreign Service Reserve Officers of Unlimited Tenure.

AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE—MEMORANDUM ON THE RESETTLEMENT OF SOVIET JEWS

We urger your committee to give sympathetic considerattion to legislation to assist Israel in the resettlement of Soviet Jews.

Ever since the Russian revolution of 1917, the Soviet Union has attempted to sever relations between the Jewish people of Russia and the outside world and to alienate them from their past and future as Jews—from their religion, their culture, their national identity.

Now, suddenly, the Soviet Union is permitting the emigration of a limited number of Jews who have applied for visas to Israel.

It is widely believed that this revolutionary development is a Soviet reaction to world opinion, which has been critical of the Soviet Union's treatment of Jews and which has called for a liberal emigration policy.

The Congress of the United States deserves warm appreciation for this welcome development. It has often voiced protest and appeal—not a new or unusual manifestation of American sympathy for the oppressed. Going back more than a century, the American people have often envinced their interest and concern for the Jews of Russia, who were persecuted under both Czars and Commissars.

There is a long record of congressional protest; in 1890 following the pogroms, again in 1906 and 1911, and often during the last decade, when Congressional leaders challenged Soviet anti-Semitism and Soviet curbs on emigration.

We hope the Congress, which helped to bring about this Soviet decision, will help Israel to give effect to it. For this new and unexpected immigration presents a major test for the Israel economy, which already carries a huge defense burden because of the Soviet Union's military thrust into the Middle East and its continuing threat to Israel's survival.

As in the past, the American Jewish community will once again make every effort to increase its contributions to the United Jewish Appeal and its purchase of Israel bonds in order to assist Israel, doubling its past goals.

But this extraordinary and unprecedented philanthropy will not by itself meet the costs which must be borne by the Jewish Agency for Israel and by the Government of Israel.

PAST U.S. AID TO ISRAEL

We recall that the House Committee on Foreign Affairs was the first legislative body to vote economic aid for Israel—in 1951. Between 1948 and 1971, the 650,000 Jews of Israel had welcomed some 684,000 Jews, most of whom came from the displaced persons camps in Europe, from Eastern Europe and from Arab countries. Recognizing the humanitarian character of this undertaking and realizing that Israel had assumed burdens which had previously been borne by the United States government in the displaced persons camps, the House Foreign Affairs Committee voted a $50 million grant for the relief and resettlement of Jewish refugees, paralleling a similar grant for the relief and resettlement of Arab refugees. Total grant aid to Israel from the United States that year was $65 million. The next year, the Administration recognizing Israel's need, proposed a $72 million authorization to help resettle refugees. By 1953, grant aid to Israel dropped to $40 million and it came to an end in 1959.

According to AID records submitted to the House Committee grant aid to Israel totaled $369 million up to 1970. All other assistance to Israel has taken the form of loans or the sale of surplus commodities, and more than half of these economic loans have already been repaid, according to AID records as of 1970.

Deplorably, critics have attacked U.S. aid to Israel with gross exaggeration and distortion, lumping together all transfers, private gifts, loans, and military credits and denominating the total as "aid." Such criticism has invariably ignored the fact that grants have represented a small proportion of the total, that Israel has been repaying the loans as they come due, and that Israel has put our AID funds to high humanitarian purpose.

This support from our Government has been augmented by private philanthropy, by the sale of Israel bonds and by reparations and restitution payments from West Germany. All these funds together might have been sufficient to resettle the 1,300,000 Jews who entered Israel during her first 24 years if Israel had not been compelled to divert so much of her resources for defense.

NO GRANT MILITARY AID

It should be emphasized that, despite the flow of Soviet weapons to Israel's foes, Israel never received grant military aid from the United States, and was always compelled to borrow heavily in order to finance military procurement and training.

As a consequence, many of Israel's immigrants never received adequate assistance and were never fully integrated, especially many of the 675,000 who came, devoid of means, from Arab countries. Many still suffer from deprivation and one of Israel's major problems is to close the gap between the disadvantaged Middle Eastern Jews and those who came from the West and who were able to rise to a higher standard of living.

Past immigration presents Israel with a huge backlog of urgent human needs.

ISRAEL'S DEBT BURDEN

Denied adequate grant economic and military assistance, the Israelis went deeply into debt for defense and development, and Israel's external debt mounted to unprecedented heights. For the last decade, Israelis have owed more in external debt, on a per capita basis, than any other citizens anywhere else in the world.

The Israel foreign debt rose to new and staggering heights after the Egyptians opened their war of attrition in March 1969 and the Soviet Union began to pour new and sophisticated weapons into Egypt and the Arab countries, forcing Israel to buy deterrent weaponry. Congress made large military credits available to Israel in 1970, 71 and 72.

The record shows that Israel's defense imports in dollars rose from $166 million in 1966 to $369 million in 1968 to $800 million in 1970. Total defense expenditures soared from 1.2 billion Israel pounds in 1966 to 5.3 billion pounds in 1970.

The rise in external debt kept pace. It was $1.3 billion in 1966. It soared to $3.6 billion by the end of 1971 and it is expected to rise to $4.2 billion by the end of the current year. Thus the per capita debt stood at $1.155 at the end of 1971 and it will exceed $1,200 by the end of this year.

The annual debt service has almost doubled in the last 5 years. It was $527 million in principal and interest in 1971; the total debt was 68.5 percent of Israel's GNP.

THE NEW SUPPORTING ASSISTANCE GRANT

It was in recognition of Israel's critical economic position that your committee took a welcome initiative in 1971. For the last several years, the Israel government had appealed to the United States for supporting assistance. The House Committee on Foreign Affairs recommended a supporting assistance grant. The Senate Committee on Foreign Relations agreed, fixing the figure at $85 million. Regrettably, this was subsequently reduced in conference to $50 million.

In view of the continuing need and the strong congressional support for this program, it was our hope that the Administration would take a favorable position on Israel's application for supporting assistance this year.

We were pleased to learn from President Nixon's message that the Administration does, in fact, contemplate a $50 million supporting assistance grant in fiscal 1973, although, in our view, a higher figure could have been justified in the light of Israel's continuing defense burdens.

But we were disappointed to learn from testimony submitted by Assistant Secretary of State Joseph J. Sisco, that the Administration intends this $50 million

to help meet Israel's defense burdens as well as the costs of integrating Soviet Jews.

We do not think this is an adequate amount under the new circumstances. Since Congress voted the $50 million for supporting assistance for Israel, the Soviet Union has suddenly opened its gates to permit a much larger emigration of Soviet Jews and Israel is now confronted, not only with growing defense burdens, but with new and greater resettlement tasks as well.

THE RISE IN EMIGRATION

In 1971, some 13,000 Jews came to Israel from the Soviet Union—most of them late in the year—and a great majority of them are still a long way from absorption. This immigration continued at a substantial rate in January and February and it is now estimated that 30,000 Jews will emigrate to Israel from the Soviet Union in 1972. In addition to these 30,000, the Israel government expects an additional 40,000 from other parts of the world—a total immigration of 70,000 in 12 months.

THE COST

In anticipation of this large influx, the Jewish Agency for Israel has a global budget of $775 million for its total needs for fiscal 1972–73. Of this sum, it is estimated that $200 million will be needed to resettle the 30,000 Soviet Jews expected in 1972; $260 million more is earmarked to resettle the other 40,000. On top of that, the Government of Israel will allocate some $240 million for refugee absorption. The overall total is slightly over $1 billion.

The $200 million earmarked by the Jewish Agency for immigration and absorption of the 30,000 Russian Jews is broken down as follows:

	(*In millions*)
Transportation and freight	$15.1
Initial care, absorption centers and hostels	18.5
Housing and community infrastructure	131.0
Vocational training and retraining	7.0
Health	8.9
Education	6.7
Higher learning	7.6
Welfare and other assistance	3.0
Social integration	1.2

More is needed than funds for food and temporary shelter. New communities must be established, with schools, hospitals, dormitories, roads, religious and cultural centers. And, on top of this, the government must create employment opportunities.

There is no certainty that the Soviet Union will permit the estimated 30,000 to emigrate. The Soviet Union has been putting obstacles in the way by harassing those who apply for visas. Even so, since many have applied, the figure could exceed 30,000.

Most of the Jews who come out are from Georgia and Bukhara, from the former Rumanian territories, and from the Baltic countries. For the most part, these Jews were not easily assimilated in the Russian Communist society, either because they are Orthodox or because they were exposed to the outside Jewish world not so many years ago. Very few Jews are permitted to leave from Russia proper, which has been Communist since 1917. Highly skilled Russian Jews who seek visas are refused emigration for five years, allegedly on security grounds, and are deprived of employment and subjected to humiliation and harassment in a campaign to discourage the exodus.

The new Russian immigrants present many psychological problems which increase the burdens and the costs. Many of them lack skill and occupation. Many were small tradesmen. They need vocational training. Most need intensive instruction in Hebrew, which they were forbidden to learn in Russia. Many are specialists with useless skills, like the lady saw mill engineer who has no forests to saw in Israel. The professionals, like doctors and engineers, need broader and more up-to-date instruction. Russian medicine, for example, lags behind.

Having lived in a paternalistic Communist regime, which supervised all their needs—housing, employment, education, even their cultural activities—these new immigrants are bewildered as they learn to fend for themselves in a free economy.

WHY THE OPEN DOOR?

The question will be asked. If Israel is having so much difficulty coping with this influx, why does she welcome all those who come? There are two answers.

The first is that it is not within the competence of Israel to control the emigration from the Soviet Union, with which it has no relations.

But Israel would not try to do it, if she could.

The people of Israel remember that when the Jews of Europe sought refuge from Hitlerism in the 1930s many nations closed their doors and millions were trapped and doomed to die in the holocaust. Many Jews would have been saved if Palestine had been open to unrestricted immigration during that period. Burdened by that memory, the people of Israel are determined that the doors of Israel will never close and that no Jewish life will be sacrificed because of immigration restrictions barring Jews from the return to their national homeland.

This solicitude for people is not merely a legacy from a bitter past. It bespeaks a confidence in the future.

By opening her doors wide in 1948, Israel affirmed her faith in the value of people, even as our own country did in early years. Israel is confident that the Jews from Russia will repay the cost of their care and will make a contribution to the development of their new country.

Our own country received more than 200,000 refugees from bloody Russian pogroms between 1880 and 1890. The words of a witness, Emma Lazarus, were inscribed on the Statue of Liberty: "Give me your tired, your poor, your huddled masses, yearning to breathe free . . ." Some three million came from Eastern Europe between 1900 up to World War I. Many of them contributed massively and qualitatively to our own country's spectacular growth and development to our intellectual and cultural achievement.

The Refugee Act of 1972 is not merely a measure to help Israel in a humanitarian enterprise of relief and rehabilitation. It is to help Israel keep faith with a high purpose which must surely appeal to American sentiment and conscience.

IRVING KANE, *Chairman.*

report on

OVERSEAS EXPENDITURES

by the U.S. Government

fiscal year 1971

Department of the Treasury

Fiscal Service

Bureau of Accounts

REPORT ON OVERSEAS EXPENDITURES AND FOREIGN CURRENCY AVAILABILITY
PURSUANT TO SEC.6(c) OF P.L. 89-243, APPROVED OCTOBER 9, 1965

(In thousands of dollars or dollar equivalents)

Country and Agency World-Wide Summary	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	91,938	105,101		
Agriculture, Dept. of ----------	5,218	16,216		26,796
American Battle Monuments Comm. ----	483	1,677		
Atomic Energy Commission ----------	8,579	114		
Civil Service Commission ----------	22,654	632		
Commerce, Dept. of ----------	4,666	7,869		
Defense, Dept. of ----------	4,811,600	125,400		
Environmental Protection Agency ----	--------	6		
Export-Import Bank of the U.S. -----	4,899	--------		
General Services Administration ----	197	--------		
Health, Education and Welfare, Dept. of ----------	273,879	31,337		
Interior, Dept. of ----------	46,809	384		
Justice, Dept. of ----------	3,860	1,031		
Labor, Dept. of ----------	1,160	77		
Library of Congress ----------	145	1,885		
National Aeronautics and Space Administration ----------	22,704	9,875		
National Science Foundation --------	2,561	1,972		
Panama Canal ----------	53,385	--------		
Peace Corps ----------	14,842	22,060		
Post Office Department ----------	29,378	7,376		
Railroad Retirement Board ----------	13,097	242		
Smithsonian Institution ----------	--------	2,882		

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REPORT ON OVERSEAS EXPENDITURES AND FOREIGN CURRENCY AVAILABILITY
PURSUANT TO SEC.6(a) OF P.L. 89-243, APPROVED OCTOBER 9, 1965

(In thousands of dollars or dollar equivalents)

Country and Agency World-Wide Summary - Continued	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
State, Dept. of	153,577	132,793		3,999
Tennessee Valley Authority	11,848	---		
Transportation, Dept. of	13,503	2,657		
Treasury, Dept. of the	2,013	252		
United States Information Agency	38,352	52,021		
Veterans Administration	76,888	35,732		
Sub-Total	5,708,235	559,591		
Expenditures of certain foreign currency which were purchased with dollars from commercial sources other than the Department of Defense	1/ 313,400	1/-313,400		
Total	6,021,635	2/ 246,191	3/ 1,756,484	30,795

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REPORT ON OVERSEAS EXPENDITURES AND FOREIGN CURRENCY AVAILABILITY
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(In thousands of dollars or dollar equivalents)

Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Aden				
Health, Education and Welfare, Dept. of ----------	79	--------		

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FOOTNOTES

1/ To present a clearer picture of balance of payments impact, this report classifies expenditures of foreign currency as U.S. dollar expenditures when the currency expended was purchased with dollars from commercial sources. Data for the Defense Department are shown specifically on this basis. Data on this basis are not available for other agencies individually, but are available in the aggregate. Accordingly, the amount shown as foreign currency expenditures for each of these other agencies represents the total foreign currency expended by the agency without regard to whether the currency was purchased with dollars from commercial sources or from Treasury. Therefore, an overall adjustment is made in this table to put total expenditures on this basis.

2/ Excludes expenditures from foreign currency funds ("FT" accounts) mostly for country use programs aggregating $485 million. Details of these expenditures are shown in the Report on Foreign Currencies Acquired by the United States Government without Payment of Dollars, Fiscal Year 1971.

3/ Represents currencies available for purchase by administrative agencies with appropriated dollars from Treasury holdings for payment of official U.S. obligations, for accommodation exchange for U.S. personnel, and for sale to U.S. citizens and non-profit organizations for travel or other purposes in selected countries.

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(In thousands of dollars or dollar equivalents)

Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Afghanistan	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,456	470		
Civil Service Commission ----------	9	--------		
Commerce, Dept. of ----------	1	--------		
Health, Education and Welfare, Dept. of ----------	-1	--------		
Justice, Dept. of ----------	7	20		
Peace Corps ----------	255	246		
Post Office Department ----------	13	--------		
State, Dept. of ----------	929	376		
United States Information Agency ---	129	85		
Veterans Administration ----------	1	--------		
Total ----------	2,799	1,197	1	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Albania				
Post Office Department ----------	1	--------		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Algeria	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission ----------	1	--------		
Health, Education and Welfare, Dept. of ----------	14	--------		
Post Office Department ----------	5	--------		
State, Dept. of ----------	401	294		
United States Information Agency ---	61	37		
Veterans Administration ----------	7	--------		
Total ----------	489	331	--------	--------

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Country and Agency Angola	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	1		
Civil Service Commission	1	--------		
Health, Education and Welfare, Dept. of	3	--------		
Post Office Department	25	--------		
State, Dept. of	123	116		
Veterans Administration	3	--------		
Total	155	117	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Argentina	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	5,450	339		
Agriculture, Dept. of ----------	96	34		
Atomic Energy Commission ----------	35	--------		
Civil Service Commission ----------	62	--------		
Commerce, Dept. of ----------	168	31		
Health, Education and Welfare, Dept. of ----------	761	25		
Justice, Dept. of ----------	107	10		
Labor, Dept. of ----------	1	--------		
National Aeronautics and Space Administration ----------	2	--------		
Peace Corps ----------	1	--------		
Post Office Department ----------	9	80		
Railroad Retirement Board ----------	4	--------		
State, Dept. of ----------	2,068	877		
Transportation, Dept. of ----------	53	7		
United States Information Agency ---	708	704		
Veterans Administration ----------	101	2		
Total ----------	9,626	2,109	4	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Ascension Island				
National Aeronautics and Space Administration ----------	18	--------		

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Country and Agency Austria	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	9	156		
Atomic Energy Commission	40	--------		
Civil Service Commission	206	--------		
Commerce, Dept. of	2	5		
Defense, Dept. of	2,800	--------		
Health, Education and Welfare, Dept. of	2,948	22		
Interior, Dept. of	2	--------		
Justice, Dept. of	56	17		
Labor, Dept. of	3	--------		
National Science Foundation	6	--------		
Post Office Department	377	--------		
Railroad Retirement Board	13	--------		
State, Dept. of	1,535	1,571		
Tennessee Valley Authority	137	--------		
Transportation, Dept. of	5	--------		
United States Information Agency	215	840		
Veterans Administration	151	2		
Total	8,505	2,613	3	--------

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Country and Agency Australia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	47	34		
Atomic Energy Commission	153	--------		
Civil Service Commission	217	--------		
Commerce, Dept. of	221	319		
Defense, Dept. of	38,700	--------		
Health, Education and Welfare, Dept. of	1,588	4		
Interior, Dept. of	21	--------		
Labor, Dept. of	6	--------		
National Aeronautics and Space Administration	12,519	483		
National Science Foundation	27	--------		
Peace Corps	83	55		
Post Office Department	430	--------		
Railroad Retirement Board	46	--------		
State, Dept. of	943	1,388		
Transportation, Dept. of	9	2		
United States Information Agency	150	218		
Veterans Administration	746	8		
Total	55,906	2,511	19	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Azores	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Defense, Dept. of	5,300	--------		
State, Dept. of	64	70		
Veterans Administration	48	--------		
Total	5,412	70	--------	--------

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Country and Agency Bahamas	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	2	--------		
Civil Service Commission	38	--------		
Commerce, Dept. of	8	--------		
Health, Education and Welfare, Dept. of	423	--------		
Justice, Dept. of	195	1		
National Aeronautics and Space Administration	21	--------		
Post Office Department	25	--------		
Railroad Retirement Board	4	--------		
State, Dept. of	178	195		
Transportation, Dept. of	101	--------		
Treasury, Dept. of the	191	--------		
Veterans Administration	105	--------		
Total	1,291	196	1	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Bahrein Islands	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Defense, Dept. of	35,000	--------		
Post Office Department	4	--------		
Total	35,004	--------	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Barbados	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	104	--------		
Commerce, Dept. of	22	--------		
Health, Education and Welfare, Dept. of	1,271	--------		
Panama Canal	34	--------		
Post Office Department	731	--------		
Railroad Retirement Board	32	--------		
State, Dept. of	284	129		
Transportation, Dept. of	3	--------		
United States Information Agency	30	16		
Veterans Administration	37	--------		
Total	2,548	145	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Belgium	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	133	448		
American Battle Monuments Comm.	43	216		
Atomic Energy Commission	112	2		
Civil Service Commission	143	--------		
Commerce, Dept. of	-7	24		
Defense, Dept. of	42,000	--------		
Health, Education and Welfare, Dept. of	1,063	2		
Interior, Dept. of	362	--------		
Labor, Dept. of	28	--------		
National Aeronautics and Space Administration	2	3		
National Science Foundation	19	--------		
Panama Canal	7	--------		
Peace Corps	--------	3		
Post Office Department	64	107		
Railroad Retirement Board	5	--------		
State, Dept. of	4,458	6,664		
Transportation, Dept. of	469	88		
United States Information Agency	352	309		
Veterans Administration	403	7		
Total	49,656	7,873	17	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Bermuda	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	78	--------		
Civil Service Commission	134	--------		
Defense, Dept. of	7,000	--------		
Health, Education and Welfare, Dept. of	270	1		
Justice, Dept. of	55	--------		
National Aeronautics and Space Administration	75	12		
National Science Foundation	57	--------		
Post Office Department	37	--------		
Railroad Retirement Board	4	--------		
State, Dept. of	102	85		
Transportation, Dept. of	71	--------		
Treasury, Dept. of the	128	--------		
Veterans Administration	30	--------		
Total	8,041	98	4	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Bolivia	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	4,068	1,357		
Civil Service Commission ----------	7	--------		
Health, Education and Welfare, Dept. of ----------	32	--------		
Interior, Dept. of ----------	1	--------		
Justice, Dept. of ----------	17	--------		
Labor, Dept. of ----------	11	--------		
Peace Corps ----------	300	343		
State, Dept. of ----------	1,018	551		
United States Information Agency ---	280	255		
Veterans Administration ----------	11	--------		
Total ----------	5,745	2,506	50	--------

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Country and Agency Brazil	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	5,530	12,609		
Agriculture, Dept. of ----------	84	139		
Atomic Energy Commission ----------	57	3		
Civil Service Commission ----------	141	--------		
Commerce, Dept.of ----------	28	38		
Health, Education and Welfare, Dept. of ----------	722	9		
Justice, Dept. of ----------	3	4		
National Aeronautics and Space Administration ----------	2	--------		
Peace Corps ----------	686	1,291		
Post Office Department ----------	411	--------		
Railroad Retirement Board ----------	6	--------		
State, Dept. of ----------	2,896	3,556		
Transportation, Dept. of ----------	41	12		
United States Information Agency ---	1,162	1,817		
Veterans Administration ----------	117	3		
Total ----------	11,886	19,481	15	--------

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Country and Agency British Honduras	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	7	--------		
Health, Education and Welfare, Dept. of	28	--------		
Justice, Dept. of	1	--------		
Peace Corps	3	94		
Post Office Department	1,149	--------		
State, Dept. of	116	63		
Veterans Administration	10	--------		
Total	1,314	157	--------	--------

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Country and Agency British West Indies	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	3	--------		
Commerce, Dept. of	40	--------		
Justice, Dept. of	2	--------		
Labor, Dept. of	9	--------		
National Aeronautics and Space Administration	28	--------		
Panama Canal	12	--------		
Peace Corps	64	389		
Post Office Department	434	--------		
Transportation, Dept. of	24	--------		
Total	616	389	--------	--------

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Country and Agency Bulgaria	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	2	--------		
Health, Education and Welfare, Dept. of	164	--------		
Labor, Dept. of	--------	1		
Post Office Department	1	--------		
Railroad Retirement Board	16	--------		
State, Dept. of	341	136		
United States Information Agency	108	20		
Veterans Administration	50	--------		
Total	682	157	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Burma	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	--------		41
Civil Service Commission	--------	21		
National Science Foundation	--------	3		
Post Office Department	--------	4		
State, Dept. of	869	511		
United States Information Agency	115	258		
Total	984	797	11,586	41

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Burundi	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	2	--------		
Post Office Department	3	--------		
State, Dept. of	336	139		
United States Information Agency	56	22		
Total	397	161	--------	--------

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Country and Agency Cameroon	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	1	16		
Peace Corps	148	276		
Post Office Department	3	--------		
State, Dept. of	429	536		
United States Information Agency	58	95		
Total	639	923	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Canada	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	259	178		
Atomic Energy Commission	370	--------		
Civil Service Commission	2,640	--------		
Commerce, Dept. of	239	200		
Defense, Dept. of	221,900	200		
Health, Education and Welfare, Dept. of	42,126	--------		
Interior, Dept. of	517	--------		
Justice, Dept. of	944	44		
National Aeronautics and Space Administration	1,329	--------		
National Science Foundation	51	--------		
Post Office Department	533	3,826		
Railroad Retirement Board	7,996	--------		
State, Dept. of	5,771	1,932		
Tennessee Valley Authority	1,000	--------		
Transportation, Dept. of	1,089	43		
Treasury, Dept. of the	1,035	8		
United States Information Agency	111	112		
Veterans Administration	5,384	26		
Total	293,294	6,569	656	--------

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Country and Agency Central African Republic	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Commerce, Dept. of ----------	1	--------		
Health, Education and Welfare, Dept. of ----------	3	16		
State, Dept. of ----------	208	204		
United States Information Agency ---	57	94		
Total ----------	269	314	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Ceylon	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	33		
Civil Service Commission	--------	13		
Commerce, Dept. of	--------	2		
Health, Education and Welfare, Dept. of	--------	28		
Library of Congress	--------	19		
National Science Foundation	--------	1		
Peace Corps	15	37		
Post Office Department	16	--------		
Smithsonian Institution	--------	124		
State, Dept. of	479	520		
United States Information Agency	127	218		
Veterans Administration	1	--------		
Total	638	995	1,968	--------

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Country and Agency Chad	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	--------	16		
Peace Corps	118	226		
State, Dept. of	241	311		
United States Information Agency	57	94		
Total	416	647	--------	--------

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Country and Agency Chile	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-6,063	1,233		
Agriculture, Dept. of ----------	29	28		
Atomic Energy Commission ----------	7	--------		
Civil Service Commission ----------	30	--------		
Commerce, Dept. of ----------	9	--------		
Health, Education and Welfare, Dept. of ----------	312	2		
Justice, Dept. of ----------	3	--------		
National Aeronautics and Space Administration ----------	--------	2,281		
National Science Foundation --------	1,248	--------		
Peace Corps ----------	276	315		
Post Office ----------	83	--------		
Railroad Retirement Board ----------	4	--------		
State, Dept. of ----------	1,360	736		
Transportation, Dept. of ----------	64	--------		
United States Information Agency ---	454	299		
Veterans Administration ----------	39	--------		
Total ----------	-2,145	4,894	633	--------

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Country and Agency China (Taiwan)	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	147	30		
Agriculture, Dept. of ----------	36	230		
Civil Service Commission ----------	42	--------		
Commerce, Dept. of ----------	7	114		
Defense, Dept. of ----------	75,300	12,600		
Health, Education and Welfare, Dept. of ----------	146	3		
Justice, Dept. of ----------	10	--------		
Labor, Dept. of ----------	13	--------		
Post Office Department ----------	324	--------		
State, Dept. of ----------	1,114	815		
Transportation, Dept. of ----------	71	--------		
Treasury, Dept. of the ----------	1	--------		
United States Information Agency ---	384	310		
Veterans Administration ----------	48	--------		
Total ----------	77,643	14,102	7,709	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Colombia	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-13,103	1,948		
Agriculture, Dept. of ----------	34	32		
Civil Service Commission ----------	81	--------		
Commerce, Dept. of ----------	--------	5		
Health, Education and Welfare, Dept. of ----------	502	15		
Justice, Dept. of ----------	4	--------		
Labor, Dept. of ----------	2	--------		
Panama Canal ----------	17	--------		
Peace Corps ----------	414	703		
Post Office Department ----------	315	--------		
Railroad Retirement Board ----------	3	--------		
State, Dept. of ----------	2,201	1,399		
Transportation, Dept. of ----------	-1	--------		
United States Information Agency ---	462	354		
Veterans Administration ----------	94	1		
Total ----------	-8,975	4,457	10	--------

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Country and Agency Congo	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	352	19		
Agriculture, Dept. of ----------	26	26		
Civil Service Commission ----------	6	--------		
Commerce, Dept. of ----------	9	2		
Health, Education and Welfare, Dept. of ----------	2	--------		
National Science Foundation --------	10	--------		
Peace Corps ----------	81	131		
Post Office Department ----------	71	--------		
State, Dept. of ----------	1,875	915		
Transportation, Dept. of ----------	1	1		
United States Information Agency ---	511	198		
Veterans Administration ----------	3	--------		
Total ----------	2,947	1,292	2	--------

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Country and Agency Costa Rica	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	884	2,124		
Agriculture, Dept. of ----------	25	20		
Atomic Energy Commission ----------	125	--------		
Civil Service Commission ----------	165	--------		
Health, Education and Welfare, Dept. of ----------	396	8		
Justice, Dept. of ----------	1	--------		
Labor, Dept. of ----------	2	--------		
Panama Canal ----------	12	--------		
Peace Corps ----------	190	308		
Post Office Department ----------	51	--------		
Railroad Retirement Board ----------	6	--------		
State, Dept. of ----------	626	363		
Transportation, Dept. of ----------	1,223	2,001		
United States Information Agency ---	122	123		
Veterans Administration ----------	107	2		
Total ----------	3,935	4,949	2	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Cuba	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Transportation, Dept. of ----------	9	--------		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Cyprus	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	30	--------		
Health, Education and Welfare, Dept. of	562	--------		
Post Office Department	12	--------		
Railroad Retirement Board	2	--------		
State, Dept. of	1,078	566		
United States Information Agency	57	94		
Veterans Administration	100	--------		
Total	1,841	660	3	--------

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Country and Agency Czechoslovakia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	28	--------		
Commerce, Dept. of	11	4		
Health, Education and Welfare, Dept. of	2,734	--------		
Labor, Dept. of	2	--------		
Post Office Department	154	--------		
Railroad Retirement Board	50	--------		
State, Dept. of	582	206		
United States Information Agency	60	21		
Veterans Administration	2	1		
Total	3,623	232	995	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Dahomey	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	--------	16		
Peace Corps	105	196		
Post Office Department	1	--------		
State, Dept. of	224	236		
United States Information Agency	57	94		
Veterans Administration	2	--------		
Total	389	542	--------	--------

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Country and Agency Denmark	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	36	137		
Atomic Energy Commission	29	--------		
Civil Service Commission	97	--------		
Commerce, Dept. of	40	143		
Defense, Dept. of	30,100	--------		
Health, Education and Welfare, Dept. of	1,907	50		
Interior, Dept. of	1	--------		
Justice, Dept. of	42	--------		
Labor, Dept. of	22	--------		
National Science Foundation	27	--------		
Post Office Department	167	81		
Railroad Retirement Board	29	--------		
Smithsonian Institution	--------	1		
State, Dept. of	669	635		
Transportation, Dept. of	606	290		
United States Information Agency	113	195		
Veterans Administration	461	5		
Total	34,346	1,537	4	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Dominican Republic	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-1,684	1,474		
Agriculture, Dept. of ----------	36	15		
Civil Service Commission ----------	6	--------		
Commerce, Dept. of ----------	2	--------		
Health, Education and Welfare, Dept. of ----------	405	--------		
Justice, Dept. of ----------	1	--------		
Peace Corps ----------	163	228		
Post Office Department ----------	66	--------		
State, Dept. of ----------	1,498	865		
United States Information Agency ---	201	119		
Veterans Administration ----------	63	--------		
Total ----------	757	2,701	8	--------

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Country and Agency Ecuador	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,036	3,480		
Agriculture, Dept. of ----------	24	13		
Civil Service Commission ----------	24	--------		
Commerce, Dept. of ----------	3	--------		
Health, Education and Welfare, Dept. of ----------	195	17		
Interior, Dept. of ----------	1	--------		
Justice, Dept. of ----------	1	--------		
National Aeronautics and Space Administration ----------	4	26		
Panama Canal ----------	3	--------		
Peace Corps ----------	189	359		
Post Office Department ----------	243	--------		
Railroad Retirement Board ----------	4	--------		
State, Dept. of ----------	1,462	546		
United States Information Agency ---	308	256		
Veterans Administration ----------	36	1		
Total ----------	3,533	4,698	246	--------

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Country and Agency Ethiopia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,002	5,714		
Agriculture, Dept. of ----------	3	--------		
Civil Service Commission ----------	7	--------		
Commerce, Dept. of ----------	2	--------		
Health, Education and Welfare, Dept. of ----------	16	1		
Peace Corps ----------	448	1,025		
Post Office Department ----------	257	--------		
State, Dept. of ----------	1,105	734		
United States Information Agency ---	219	244		
Veterans Administration ----------	3	--------		
Total ----------	3,062	7,718	1	--------

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Country and Agency El Salvador	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,278	1,086		
Agriculture, Dept. of ----------	28	19		
Civil Service Commission ----------	29	--------		
Commerce, Dept. of ----------	--------	43		
Health, Education and Welfare, Dept. of ----------	233	118		
Justice, Dept. of ----------	5	--------		
Panama Canal ----------	4	--------		
Peace Corps ----------	134	216		
Post Office Department ----------	46	--------		
Railroad Retirement Board ----------	5	--------		
State, Dept. of ----------	511	383		
United States Information Agency ---	113	103		
Veterans Administration ----------	33	--------		
Total ----------	2,419	1,968	3	--------

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Country and Agency Finland	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	1	10		
Atomic Energy Commission	37	--------		
Civil Service Commission	21	--------		
Commerce, Dept. of	5	13		
Health, Education and Welfare, Dept. of	1,386	1		
National Science Foundation	10	--------		
Post Office Department	168	--------		
Railroad Retirement Board	6	--------		
State, Dept. of	598	490		
United States Information Agency	145	196		
Veterans Administration	111	1		
Total	2,488	711	4	--------

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Country and Agency Fiji Islands	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	39	--------		
Interior, Dept. of	74	--------		
Peace Corps	241	161		
United States Information Agency	--------	7		
Veterans Administration	4	--------		
Total	358	168	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
France	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	264	528		
American Battle Monuments Comm.	196	867		
Atomic Energy Commission	930	66		
Civil Service Commission	965	--------		
Commerce, Dept. of	673	1,800		
Defense, Dept. of	20,900	400		
Health, Education and Welfare, Dept. of	4,700	65		
Interior, Dept. of	2,245	--------		
Justice, Dept. of	217	211		
Labor, Dept. of	25	--------		
National Aeronautics and Space Administration	6	130		
National Science Foundation	45	--------		
Peace Corps	--------	22		
Post Office Department	1,040	10		
Railroad Retirement Board	12	--------		
Smithsonian Institution	--------	2		
State, Dept. of	8,653	15,621		
Tennessee Valley Authority	880	--------		
Transportation, Dept. of	80	6		
Treasury, Dept. of the	78	15		
United States Information Agency	2,774	1,388		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
France - Continued				
Veterans Administration ----------	1,285	19		
Total ----------	45,968	21,150	38	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
French West Indies	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	14	--------		
Commerce, Dept. of	1	--------		
Interior, Dept. of	2	--------		
Peace Corps	67	88		
Post Office Department	2	--------		
Railroad Retirement Board	4	--------		
State, Dept. of	218	235		
Total	308	323	--------	--------

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Country and Agency Gabon	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	--------	16		
State, Dept. of	194	215		
United States Information Agency	58	94		
Total	252	325	--------	--------

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Country and Agency Gambia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Peace Corps ----------	58	102		
State, Dept. of ----------	33	19		
Total ----------	91	121	--------	--------

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Country and Agency Germany, West	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	158	1,187		
Atomic Energy Commission	523	--------		
Civil Service Commission	1,119	--------		
Commerce, Dept. of	241	738		
Defense, Dept. of	1,171,200	4,600		
General Services Administration	31	--------		
Health, Education and Welfare, Dept. of	21,910	89		
Interior, Dept. of	122	--------		
Justice, Dept. of	184	73		
Labor, Dept. of	28	--------		
National Aeronautics and Space Administration	66	830		
National Science Foundation	49	--------		
Peace Corps	--------	6		
Post Office Department	3,192	--------		
Railroad Retirement Board	82	--------		
Smithsonian Institution	--------	1		
State, Dept. of	7,566	6,593		
Tennessee Valley Authority	336	--------		
Transportation, Dept. of	1,160	-31		
Treasury, Dept. of the	46	26		
United States Information Agency	1,512	6,648		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Germany, East				
Total ----------	--------	--------	3	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Germany, West - Continued	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Veterans Administration ----------	3,021	10		
Total ----------	1,212,546	20,770	549	--------

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Country and Agency Ghana	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	--------	10		
Health, Education and Welfare, Dept. of	27	67		
Peace Corps	540	1,005		
Post Office Department	--------	17		
State, Dept. of	735	574		
United States Information Agency	123	153		
Veterans Administration	--------	1		
Total	1,425	1,827	267	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Greece	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	29	98		
Atomic Energy Commission	1	--------		
Civil Service Commission	364	--------		
Defense, Dept. of	18,500	7,700		
Health, Education and Welfare, Dept. of	19,513	31		
Justice, Dept. of	33	6		
Labor, Dept. of	7	--------		
National Aeronautics and Space Administration	--------	2		
Post Office Department	452	--------		
Railroad Retirement Board	571	--------		
State, Dept. of	2,945	2,413		
Transportation, Dept. of	53	1		
United States Information Agency	1,363	1,847		
Veterans Administration	3,401	27		
Total	47,232	12,125	244	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Grenada				
Post Office Department ----------	78	--------		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Greenland	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Atomic Energy Commission ----------	1	--------		
Transportation, Dept. of ----------	33	--------		
Total ----------	34	--------	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Guinea	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	--------		401
Health, Education and Welfare, Dept. of	5	6		
Interior, Dept. of	14	--------		
National Science Foundation	--------	5		
Peace Corps	116	80		
Post Office Department	14	--------		
State, Dept. of	748	449		
United States Information Agency	55	90		
Veterans Administration	1	--------		
Total	953	630	5,373	401

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Country and Agency Guatemala	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	570	3,162		
Agriculture, Dept. of ----------	20	29		
Civil Service Commission ----------	21	--------		
Commerce, Dept. of ----------	10	1		
Health, Education and Welfare, Dept. of ----------	206	--------		
Justice, Dept. of ----------	4	--------		
Peace Corps ----------	80	278		
Post Office Department ----------	53	--------		
State, Dept. of ----------	896	529		
United States Information Agency ---	166	225		
Veterans Administration ----------	61	1		
Total ----------	2,087	4,225	31	--------

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Country and Agency Haiti	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,268	88		
Agriculture, Dept. of ----------	3	--------		
Civil Service Commission ----------	22	--------		
Health, Education, and Welfare, Dept. of ----------	48	--------		
Post Office Department ----------	276	--------		
Railroad Retirement Board ----------	5	--------		
State, Dept. of ----------	799	--------		
Transportation, Dept. of ----------	4	--------		
United States Information Agency ---	124	--------		
Veterans Administration ----------	9	--------		
Total ----------	2,558	88	--------	--------

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Country and Agency Guyana	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	405	418		
Health, Education and Welfare, Dept. of ----------	54	--------		
Peace Corps ----------	4	65		
Post Office Department ----------	--------	34		
Railroad Retirement Board ----------	3	--------		
State, Dept. of ----------	381	184		
Transportation, Dept. of ----------	-5	--------		
United States Information Agency ---	63	64		
Veterans Administration ----------	1	--------		
Total ----------	898	765	1	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Honduras	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-820	8,326		
Civil Service Commission ----------	15	--------		
Health, Education and Welfare, Dept. of ----------	203	--------		
Labor, Dept. of ----------	2	1		
Peace Corps ----------	142	384		
Post Office Department ----------	54	--------		
Railroad Retirement Board ----------	1	--------		
State, Dept. of ----------	622	461		
Transportation, Dept. of ----------	-14	-2		
United States Information Agency ---	108	80		
Veterans Administration ----------	33	--------		
Total ----------	346	9,250	2	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Hong Kong	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	54	337		
Atomic Energy Commission	1	--------		
Civil Service Commission	83	--------		
Commerce, Dept. of	3	5		
Health, Education and Welfare, Dept. of	3,294	3		
Interior, Dept. of	52	--------		
Justice, Dept. of	108	54		
Labor, Dept. of	2	--------		
Panama Canal	1	--------		
Peace Corps	--------	5		
Post Office Department	233	--------		
Railroad Retirement Board	7	--------		
State, Dept. of	1,406	2,161		
Transportation, Dept. of	342	--------		
Treasury, Dept. of	68	8		
United States Information Agency	252	590		
Veterans Administration	344	1		
Total	6,250	3,164	24	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Hungary	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Atomic Energy Commission	1	--------		
Civil Service Commission	17	--------		
Commerce, Dept. of	4	6		
Health, Education and Welfare, Dept. of	365	--------		
Post Office Department	187	--------		
Railroad Retirement Board	5	--------		
State, Dept. of	378	213		
United States Information Agency	82	92		
Veterans Administration	1	--------		
Total	1,040	311	4	--------

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Country and Agency Iceland	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Atomic Energy Commission	59	--------		
Civil Service Commission	14	--------		
Defense, Dept. of	21,800	--------		
Health, Education and Welfare, Dept. of	44	--------		
Labor, Dept. of	9	--------		
Post Office Department	294	--------		
State, Dept. of	298	119		
Transportation, Dept. of	233	--------		
United States Information Agency	42	54		
Veterans Administraion	7	--------		
Total	22,800	173	91	--------

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Country and Agency India	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,440	9,879		
Agriculture, Dept. of ----------	84	1,734		9,012
Atomic Energy Commission ----------	15	2		
Civil Service Commission ----------	--------	202		
Commerce, Dept. of ----------	21	234		
Environmental Protection Agency ----	--------	2		
Health, Education and Welfare, Dept. of ----------	22	3,679		
Interior, Dept. of ----------	--------	1		
Justice, Dept. of ----------	1	--------		
Labor, Dept. of ----------	2	6		
Library of Congress ----------	68	929		
National Aeronautics and Space Administration ----------	1	8		
National Science Foundation --------	--------	86		
Panama Canal ----------	37	--------		
Peace Corps ----------	745	2,180		
Post Office Department ----------	77	21		
Smithsonian Institution ----------	--------	493		
State, Dept. of ----------	3,107	5,722		
Treasury, Dept. of the ----------	6	--------		
United States Information Agency ---	1,391	6,192		
Veterans Administration ----------	20	20		
Total ----------	7,037	31,390	788,709	9,012

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Country and Agency Indonesia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,340	896		
Agriculture, Dept. of ----------	45	80		
Civil Service Commission ----------	--------	20		
Commerce, Dept. of ----------	--------	7		
Health, Education and Welfare, Dept. of ----------	16	16		
Post Office Department ----------	--------	14		
State, Dept. of ----------	2,074	1,308		128
United States Information Agency ---	482	405		
Veterans Administration ----------	9	--------		
Total ----------	3,966	2,746	930	128

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Country and Agency Iran	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	26	46		
Civil Service Commission	59	--------		
Commerce, Dept. of	9	14		
Health, Education and Welfare, Dept. of	58	--------		
Interior, Dept. of	2	--------		
Justice, Dept. of	3	--------		
Labor, Dept. of	1	--------		
Peace Corps	318	447		
Post Office Department	9	--------		
State, Dept. of	1,947	1,223		
Transportation, Dept. of	126	6		
United States Information Agency	347	579		
Veterans Administration	17	--------		
Total	2,922	2,315	3	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Iraq	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	15	--------		
Health, Education and Welfare, Dept. of	11	--------		
Post Office Department	9	--------		
Total	35	--------	--------	--------

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Country and Agency Ireland	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	27	17		
Civil Service Commission	273	--------		
Commerce, Dept. of	10	2		
Health, Education and Welfare, Dept. of	7,600	--------		
Labor, Dept. of	19	--------		
National Aeronautics and Space Administration	--------	5		
Post Office Department	161	329		
Railroad Retirement Board	354	--------		
State, Dept. of	278	340		
Transportation, Dept. of	-93	--------		
Veterans Administration	1,979	20		
Total	10,608	713	2	--------

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Country and Agency Israel	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	30	1,437		
Atomic Energy Commission	50	9		
Civil Service Commission	--------	89		
Commerce, Dept. of	131	1,081		
Health, Education and Welfare, Dept. of	72	7,439		
Interior, Dept. of	38	--------		
Justice, Dept. of	33	1		
Labor, Dept. of	--------	1		
Library of Congress	27	176		
National Aeronautics and Space Administration	1	4		
National Science Foundation	--------	1,162		
Peace Corps	--------	13		
Post Office Department	148	--------		
Railroad Retirement Board	--------	9		
Smithsonian Institution	--------	904		
State, Dept. of	1,373	2,098		
Transportation, Dept. of	15	1		
United States Information Agency	124	405		
Veterans Administration	--------	268		
Total	2,042	15,097	4,099	--------

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Country and Agency Italy	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	294	715		
American Battle Monuments Comm.	31	209		
Atomic Energy Commission	19	--------		
Civil Service Commission	664	--------		
Commerce, Dept. of	123	402		
Defense, Dept. of	113,200	300		
Health, Education and Welfare, Dept. of	48,071	257		
Interior, Dept. of	1,427	--------		
Justice, Dept. of	253	63		
Labor, Dept. of	22	--------		
National Aeronautics and Space Administration	409	3		
National Science Foundation	12	--------		
Post Office Department	1,193	--------		
Railroad Retirement Board	1,257	--------		
Smithsonian Institution	--------	14		
State, Dept. of	3,893	4,141		
Tennessee Valley Authority	921	--------		
Transportation, Dept. of	632	1		
Treasury, Dept. of the	111	33		
United States Information Agency	429	1,023		
Veterans Administration	11,532	120		
Total	184,493	7,281	13	--------

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Country and Agency Ivory Coast	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	2	--------		
Health, Education and Welfare, Dept. of	4	16		
Peace Corps	227	427		
State, Dept. of	649	1,142		
United States Information Agency	58	95		
Veterans Administration	1	--------		
Total	941	1,680	3	--------

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Country and Agency Jamaica	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	568	926		
Atomic Energy Commission ----------	2	--------		
Civil Service Commission ----------	371	--------		
Commerce, Dept. of ----------	14	3		
Health, Education and Welfare, Dept. of ----------	1,789	51		
Interior, Dept. of ----------	1	--------		
Justice, Dept. of ----------	1	--------		
Panama Canal ----------	96	--------		
Peace Corps ----------	21	488		
Post Office Department ----------	3,379	--------		
Railroad Retirement Board ----------	34	--------		
State, Dept. of ----------	480	413		
Transportation, Dept. of ----------	5	--------		
United States Information Agency ---	33	51		
Veterans Administration ----------	64	--------		
Total ----------	6,858	1,932	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Japan	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	228	2,159		
Atomic Energy Commission	4,114	3		
Civil Service Commission	439	--------		
Commerce, Dept. of	501	756		
Defense, Dept. of	645,700	500		
General Services Administration	23	--------		
Health, Education and Welfare, Dept. of	5,736	124		
Interior, Dept. of	9,518	--------		
Justice, Dept. of	145	51		
Labor, Dept. of	86	--------		
National Aeronautics and Space Administration	31	1		
National Science Foundation	57	--------		
Panama Canal	8	--------		
Peace Corps	1	--------		
Post Office Department	1,746	--------		
Railroad Retirement Board	216	--------		
State, Dept. of	3,134	3,497		
Tennessee Valley Authority	695	--------		
Transportation, Dept. of	1,231	--------		
Treasury, Dept. of the	121	24		
United States Information Agency	1,474	3,642		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Japan - Continued	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Veterans Administration ----------	1,162	3		
Total ----------	676,366	10,760	18,615	--------

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Country and Agency Jordan	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	437	493		
Civil Service Commission ----------	6	--------		
Health, Education and Welfare, Dept. of ----------	200	--------		
State, Dept. of ----------	798	412		
Transportation, Dept. of ----------	14	2		
United States Information Agency ---	57	108		
Veterans Administration ----------	15	--------		
Total ----------	1,527	1,015	4	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Kenya	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,235	1,007		
Agriculture, Dept. of ----------	85	18		
Civil Service Commission ----------	4	--------		
Commerce, Dept. of ----------	2	3		
Health, Education and Welfare, Dept. of ----------	28	--------		
National Aeronautics and Space Administration ----------	19	4		
National Science Foundation --------	18	--------		
Peace Corps ----------	455	754		
Post Office Department ----------	34	22		
State, Dept. of ----------	833	884		
United States Information Agency ---	137	227		
Veterans Administration - ----------	3	--------		
Total ----------	2,853	2,919	1	--------

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Country and Agency Khmer Republic	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
State, Dept. of ----------	653	501		
United States Information Agency ---	49	12		
Total ----------	702	513	4	--------

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Country and Agency Korea	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,544	42		
Agriculture, Dept. of ----------	19	59		
Civil Service Commission ----------	19	--------		
Commerce, Dept. of ----------	28	3		
Defense, Dept. of ----------	306,700	20,200		
Health, Education and Welfare, Dept. of ----------	137	--------		
Labor, Dept. of ----------	166	--------		
Peace Corps ----------	493	580		
Post Office Department ----------	119	--------		
State, Dept. of ----------	1,209	809		
United States Information Agency ---	415	519		
Veterans Administration ----------	105	--------		
Total ----------	310,954	22,212	2,488	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Kuwait	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	1		
Civil Service Commission	11	--------		
Health, Education and Welfare, Dept. of	3	--------		
Post Office Department	9	--------		
State, Dept. of	338	333		
Transportation, Dept. of	5	126		
United States Information Agency	37	46		
Veterans Administration	6	--------		
Total	409	506	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Laos	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	31,209	367		
Civil Service Commission ----------	8	--------		
Health, Education and Welfare, Dept. of ----------	1	--------		
Labor, Dept. of ----------	11	--------		
State, Dept. of ----------	2,723	507		
United States Information Agency ---	728	132		
Veterans Administration ----------	2	--------		
Total ----------	34,682	1,006	100	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Lebanon	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	42	30		
Civil Service Commission	64	--------		
Commerce, Dept. of	1	12		
Health, Education and Welfare, Dept. of	841	--------		
Justice, Dept. of	31	29		
Post Office Department	356	--------		
Railroad Retirement Board	8	--------		
State, Dept. of	1,969	932		
Transportation, Dept. of	52	14		
United States Information Agency	573	636		
Veterans Administration	224	1		
Total	4,161	1,654	3	--------

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Country and Agency Liberia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	834	468		
Agriculture, Dept. of ----------	71	26		
Civil Service Commission ----------	14	--------		
Health, Education and Welfare, Dept. of ----------	61	--------		
Peace Corps ----------	571	105		
Post Office Department ----------	82	--------		
Railroad Retirement Board ----------	2	--------		
State, Dept. of ----------	3,323	652		
United States Information Agency ---	1,652	243		
Veterans Administration ----------	15	--------		
Total ----------	6,625	1,494	--------	--------

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Country and Agency Libya	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Commerce, Dept. of	--------	3		
Health, Education and Welfare, Dept. of	7	--------		
Peace Corps	--------	-2		
State, Dept. of	765	840		
Transportation, Dept. of	1	--------		
United States Information Agency	87	217		
Veterans Administration	9	--------		
Total	870	1,058	--------	--------

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Country and Agency Luxembourg	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
American Battle Monuments Comm. ----	9	72		
Civil Service Commission ----------	11	--------		
Health, Education and Welfare, Dept. of ----------	111	--------		
Post Office Department ----------	1	10		
State, Dept. of ----------	250	172		
Veterans Administration ----------	29	2		
Total ----------	411	256	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Malagasy	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	1		
Health, Education and Welfare, Dept. of	5	--------		
National Aeronautics and Space Administration	305	298		
Post Office Department	34	--------		
State, Dept. of	337	294		
United States Information Agency	83	116		
Veterans Administration	1	--------		
Total	765	709	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Malawi	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	2	--------		
Peace Corps	96	188		
Post Office Department	--------	2		
State, Dept. of	250	271		
United States Information Agency	70	15		
Veterans Administration	1	--------		
Total	419	476	--------	--------

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Country and Agency Malaysia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	25	55		4
Civil Service Commission	56	--------		
Commerce, Dept. of	--------	13		
Health, Education and Welfare, Dept. of	45	--------		
Justice, Dept. of	3	16		
Peace Corps	737	1,040		
Post Office Department	31	--------		
State, Dept. of	1,364	1,069		
Transportation, Dept. of	31	2		
Treasury, Dept. of the	1	--------		
United States Information Agency	245	316		
Veterans Administration	2	3		
Total	2,540	2,514	2	4

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Country and Agency Mali	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	2	11		
Peace Corps	42	39		
State, Dept. of	320	328		
United States Information Agency	56	36		
Total	420	414	--------	--------

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Country and Agency Malta	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	6	--------		
Health, Education and Welfare, Dept. of	872	--------		
Post Office Department	6	--------		
Railroad Retirement Board	6	--------		
State, Dept. of	217	100		
Veterans Administration	82	1		
Total	1,189	101	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Martinique	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	57	--------		
Post Office Department	2	--------		
Transportation, Dept. of	4	--------		
United States Information Agency	3	24		
Total	66	24	--------	--------

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Country and Agency Mauritania	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education, and Welfare, Dept. of	--------	17		
State, Dept. of	83	86		
Total	83	103	--------	--------

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Country and Agency Mexico	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-2,472	1,201		
Agriculture, Dept. of ----------	1,370	150		
Atomic Energy Commission ----------	1	--------		
Civil Service Commission ----------	658	--------		
Commerce, Dept. of ----------	218	256		
Health, Education and Welfare, Dept. of ----------	20,266	37		
Interior, Dept. of ----------	3	2		
Justice, Dept. of ----------	925	135		
Labor, Dept. of ----------	9	--------		
National Aeronautics and Space Administration ----------	18	6		
National Science Foundation --------	15	--------		
Panama Canal ----------	14	--------		
Post Office Department ----------	499	--------		
Railroad Retirement Board ----------	1,416	--------		
State, Dept. of ----------	3,729	3,712		
Transportation, Dept. of ----------	59	1		
Treasury, Dept. of the ----------	49	1		
United States Information Agency ---	760	1,401		
Veterans Administration ----------	2,499	186		
Total ----------	30,036	7,088	5	--------

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Country and Agency Morocco	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	31	23		
Civil Service Commission	--------	37		
Commerce, Dept. of	--------	2		
Defense, Dept. of	3,700	4,300		
Health, Education and Welfare, Dept. of	2	190		
Labor, Dept. of	--------	43		
Peace Corps	256	535		
Post Office Department	--------	19		
Smithsonian Institution	--------	64		
State, Dept. of	1,026	1,442		
Transportation, Dept. of	9	--------		
United States Information Agency	460	1,392		
Veterans Administration	11	--------		
Total	5,495	8,047	11,955	--------

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Country and Agency Mozambique	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	5	--------		
Health, Education and Welfare, Dept. of	9	--------		
Peace Corps	--------	1		
Post Office Department	4	--------		
State, Dept. of	121	119		
Veterans Administration	1	--------		
Total	140	120	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Nepal	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	606	80		
Civil Service Commission ----------	8	--------		
Health, Education and Welfare, Dept. of ----------	6	--------		
Library of Congress ----------	--------	15		
Peace Corps ----------	407	257		
State, Dept. of ----------	579	341		
United States Information Agency ---	99	88		
Total ----------	1,705	781	--------	--------

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Country and Agency Netherlands Antilles	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission ----------	7	--------		
Commerce, Dept. of ----------	20	--------		
Defense, Dept. of ----------	53,600	--------		
Post Office Department ----------	42	--------		
Railroad Retirement Board ----------	8	--------		
State, Dept. of ----------	125	69		
Transportation, Dept. of ----------	2	--------		
Veterans Administration ----------	5	--------		
Total ----------	53,809	69	1	--------

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Country and Agency Netherlands	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	267	575		
American Battle Monuments Comm.	18	112		
Atomic Energy Commission	121	--------		
Civil Service Commission	89	--------		
Commerce, Dept. of	44	35		
Defense, Dept. of	15,700	--------		
Health, Education and Welfare, Dept. of	1,792	102		
Interior, Dept. of	707	--------		
Justice, Dept. of	--------	3		
Labor, Dept. of	3	--------		
National Aeronautics and Space Administration	16	15		
National Science Foundation	122	--------		
Panama Canal	72	--------		
Post Office Department	397	189		
Railroad Retirement Board	15	--------		
State, Dept. of	946	866		
Transportation, Dept. of	38	--------		
United States Information Agency	153	168		
Veterans Administration	214	5		
Total	20,714	2,070	16	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
New Zealand	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	36	13		
Atomic Energy Commission	1	--------		
Civil Service Commission	19	--------		
Commerce, Dept. of	27	2		
Health, Education and Welfare, Dept. of	272	--------		
Interior, Dept. of	154	--------		
Labor, Dept. of	2	--------		
National Aeronautics and Space Administration	1	--------		
National Science Foundation	14	--------		
Peace Corps	131	87		
Post Office Department	362	--------		
Railroad Retirement Board	1	--------		
State, Dept. of	486	440		
Transportation, Dept. of	60	1		
United States Information Agency	60	71		
Veterans Administration	128	2		
Total	1,754	616	5	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Nicaragua	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,075	5,266		
Civil Service Commission ----------	33	--------		
Commerce, Dept. of ----------	3	--------		
Health, Education and Welfare, Dept. of ----------	288	--------		
Justice, Dept. of ----------	43	--------		
Panama Canal ----------	1	--------		
Peace Corps ----------	109	209		
Post Office Department ----------	47	--------		
Railroad Retirement Board ----------	4	--------		
State, Dept. of ----------	475	344		
United States Information Agency ---	120	64		
Veterans Administration ----------	45	1		
Total ----------	2,243	5,884	1	--------

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Country and Agency Niger	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	-1	17		
Peace Corps	200	373		
State, Dept. of	366	302		
United States Information Agency	58	95		
Total	623	787	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Nigeria	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,222	1,549		
Agriculture, Dept. of ----------	42	20		
Civil Service Commission ----------	12	--------		
Health, Education and Welfare, Dept. of ----------	52	107		
Peace Corps ----------	48	44		
Post Office Department ----------	--------	10		
State, Dept. of ----------	2,299	1,287		
Transportation, Dept. of ----------	44	7		
United States Information Agency ---	476	523		
Veterans Administration ----------	13	--------		
Total ----------	4,208	3,547	2	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Norway	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	5	25		
Atomic Energy Commission	2	--------		
Civil Service Commission	195	--------		
Commerce, Dept. of	2	--------		
Defense, Dept. of	8,400	--------		
Health, Education and Welfare, Dept. of	7,285	58		
Labor, Dept. of	22	--------		
National Aeronautics and Space Administration	2	--------		
National Science Foundation	13	--------		
Post Office Department	372	29		
Railroad Retirement Board	125	--------		
State, Dept. of	717	607		
Transportation, Dept. of	326	9		
United States Information Agency	94	165		
Veterans Administration	838	8		
Total	18,398	901	7	--------

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Country and Agency Okinawa	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Commerce, Dept. of ----------	3	--------		
General Services Administration ----	76	--------		
Interior, Dept. of ----------	831	--------		
Justice, Dept. of ----------	9	--------		
Labor, Dept. of ----------	94	--------		
Total ----------	1,013	--------	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Pakistan	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	3,100	382		
Agriculture, Dept. of ----------	51	465		9,330
Civil Service Commission ----------	--------	56		
Commerce, Dept. of ----------	--------	30		
Defense, Dept. of ----------	800	--------		
Health, Education and Welfare, Dept. of ----------	209	1,534		
Justice, Dept. of ----------	--------	7		
Labor, Dept. of ----------	4	3		
Library of Congress ----------	27	234		
National Science Foundation --------	--------	2		
Peace Corps ----------	--------	4		
Post Office Department ----------	65	--------		
Railroad Retirement Board ----------	--------	9		
Smithsonian Institution ----------	--------	46		
State, Dept. of ----------	2,437	6,059		1,503
United States Information Agency ---	894	2,717		
Veterans Administration ----------	--------	8		
Total ----------	7,587	11,556	224,921	10,833

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Panama	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel.	9,549	--------		
Agriculture, Dept. of	2	--------		
Atomic Energy Commission	7	--------		
Civil Service Commission	5,180	--------		
Health, Education and Welfare, Dept. of	869	--------		
Interior, Dept. of	2	--------		
Justice, Dept. of	31	24		
Labor, Dept. of	40	--------		
National Aeronautics and Space Administration	2	--------		
Panama Canal	53,062	--------		
Peace Corps	395	--------		
Post Office Department	272	--------		
Railroad Retirement Board	7	--------		
State, Dept. of	1,477	--------		
Transportation, Dept. of	8	--------		
United States Information Agency	356	--------		
Veterans Administration	264	--------		
Total	71,523	24	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Paraguay	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	111	930		
Civil Service Commission ----------	4	--------		
Commerce, Dept. of ----------	4	1		
Health, Education and Welfare, Dept. of ----------	17	--------		
Peace Corps ----------	116	190		
Post Office Department ----------	1	--------		
Railroad Retirement Board ----------	2	--------		
State, Dept. of ----------	483	338		
United States Information Agency ---	139	73		
Veterans Administration ----------	1	--------		
Total ----------	878	1,532	4	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Peru	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel.	-2,285	4,069		
Agriculture, Dept. of	--------	20		
Civil Service Commission	27	--------		
Commerce, Dept. of	123	1		
Health, Education and Welfare, Dept. of	282	28		
Interior, Dept. of	2	--------		
Justice, Dept. of	1	--------		
National Aeronautics and Space Administration	88	3		
Peace Corps	319	680		
Post Office Department	145	--------		
Railroad Retirement Board	2	--------		
State, Dept. of	1,169	758		
Transportation, Dept. of	10	--------		
United States Information Agency	314	384		
Veterans Administration	48	1		
Total	245	5,944	6	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Philippines	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	4,582	4,371		
Agriculture, Dept. of ----------	57	103		
American Battle Monuments Comm. ----	155	90		
Civil Service Commission ----------	4,965	--------		
Commerce, Dept. of ----------	39	9		
Defense, Dept. of ----------	160,300	200		
General Services Administration ----	22	--------		
Health, Education and Welfare, Dept. of ----------	20,335	74		
Interior, Dept. of ----------	163	--------		
Justice, Dept. of ----------	26	14		
Labor, Dept. of ----------	180	--------		
Peace Corps ----------	659	760		
Post Office Department ----------	735	--------		
Railroad Retirement Board ----------	85	--------		
State, Dept. of ----------	3,646	1,860		
Transportation, Dept. of ----------	2,034	46		
Treasury, Dept. of the ----------	56	52		
United States Information Agency ---	2,434	1,482		
Veterans Administration ----------	35,677	33,204		
Total ----------	236,150	42,265	18	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Poland	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	48	734		
Atomic Energy Commission	2	--------		
Civil Service Commission	--------	56		
Commerce, Dept. of	13	11		
Health, Education and Welfare, Dept. of	9	4,140		
Labor, Dept. of	--------	5		
National Science Foundation	--------	387		
Post Office Department	503	--------		
Railroad Retirement Board	40	--------		
Smithsonian Institution	--------	29		
State, Dept. of	831	739		
United States Information Agency	240	362		
Veterans Administration	--------	1,101		
Total	1,686	7,564	384,879	--------

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Country and Agency Portugal	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	35	76		
Civil Service Commission	112	--------		
Commerce, Dept. of	10	1		
Defense, Dept. of	2,500	100		
Health, Education and Welfare, Dept. of	6,817	--------		
Interior, Dept. of	12	--------		
Labor, Dept. of	4	--------		
National Aeronautics and Space Administration	1	--------		
Post Office Department	333	--------		
Railroad Retirement Board	92	--------		
State, Dept. of	668	516		
Transportation, Dept. of	54	--------		
United States Information Agency	90	95		
Veterans Administration	210	3		
Total	10,938	791	6	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Rhodesia	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	5	--------		
Health, Education and Welfare, Dept. of	29	--------		
Post Office Department	--------	4		
State, Dept. of	2	14		
Veterans Administration	10	--------		
Total	46	18	--------	--------

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Country and Agency Rumania	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	1	--------		
Civil Service Commission	17	--------		
Commerce, Dept. of	10	7		
Health, Education and Welfare, Dept. of	158	--------		
Labor, Dept. of	--------	3		
Post Office Department	28	--------		
Railroad Retirement Board	3	--------		
State, Dept. of	532	146		
United States Information Agency	314	45		
Veterans Administration	190	1		
Total	1,253	202	--------	--------

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Country and Agency Rwanda	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Post Office Department ----------	1	--------		
State, Dept. of ----------	184	93		
United States Information Agency ---	8	11		
Total ----------	193	104	--------	--------

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Country and Agency Ryukyu Island	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	153	--------		
Defense, Dept. of	273,200	--------		
Health, Education and Welfare, Dept. of	595	--------		
Post Office Department	50	--------		
Transportation, Dept. of	147	--------		
Total	274,145	--------	--------	--------

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Country and Agency Saudi Arabia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	8	--------		
Defense, Dept. of	68,300	--------		
Health, Education and Welfare, Dept. of	13	--------		
Interior, Dept. of	641	379		
Post Office Department	60	--------		
State, Dept. of	1,207	632		
Transportation, Dept. of	-1	--------		
United States Information Agency	124	120		
Veterans Administration	37	--------		
Total	70,389	1,131	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Senegal	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	1	17		
Peace Corps	179	332		
Post Office Department	12	--------		
State, Dept. of	426	474		
United States Information Agency	58	95		
Veterans Administration	5	--------		
Total	681	918	10	--------

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Country and Agency Sierra Leone	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Health, Education and Welfare, Dept. of	3	14		
Peace Corps	400	731		
Post Office Department	--------	3		
State, Dept. of	236	349		
United States Information Agency	42	61		
Veterans Administration	2	--------		
Total	684	1,158	--------	--------

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Country and Agency Somali	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Commerce, Dept. of	1	--------		
Health, Education and Welfare, Dept. of	25	--------		
Peace Corps	--------	1		
Post Office Department	1	--------		
State, Dept. of	584	664		
United States Information Agency	107	98		
Veterans Administration	10	--------		
Total	728	763	--------	--------

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Country and Agency Singapore	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Justice, Dept. of	--------	4		
National Science Foundation	18	--------		
Post Office Department	60	--------		
Transportation, Dept. of	146	--------		
United States Information Agency	--------	178		
Veterans Administration	20	--------		
Total	244	182	--------	--------

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Country and Agency South Africa	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	27	137		
Civil Service Commission	23	--------		
Commerce, Dept. of	3	--------		
Health, Education and Welfare, Dept. of	399	--------		
National Aeronautics and Space Administration	324	3,611		
Peace Corps	196	471		
Post Office Department	9	282		
Railroad Retirement Board	2	--------		
State, Dept. of	1,318	1,432		
Transportation, Dept. of	1	--------		
United States Information Agency	67	224		
Veterans Administration	46	1		
Total	2,415	6,158	1	--------

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Country and Agency Spain	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	62	155		
Atomic Energy Commission	--------	25		
Civil Service Commission	400	--------		
Commerce, Dept. of	21	17		
Defense, Dept. of	52,200	3,000		
Export-Import Bank of the U.S.	4,899	--------		
Health, Education and Welfare, Dept. of	8,335	39		
Justice, Dept. of	64	19		
Labor, Dept. of	21	--------		
National Aeronautics and Space Administration	5,418	1,813		
Post Office Department	124	--------		
Railroad Retirement Board	122	--------		
State, Dept. of	1,515	1,035		
Transportation, Dept. of	115	--------		
Treasury, Dept. of the	1	--------		
United States Information Agency	335	287		
Veterans Administration	731	2		
Total	74,363	6,392	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Sudan	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	--------	7		
Health, Education and Welfare, Dept. of	4	9		
Post Office Department	4	--------		
State, Dept. of	233	367		
United States Information Agency	32	127		
Veterans Administration	1	--------		
Total	274	510	4,156	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Surinam	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Health, Education and Welfare, Dept. of	24	--------		
State, Dept. of	97	71		
United States Information Agency	--------	6		
Total	122	77	--------	--------

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Country and Agency Sweden	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	41	257		
Atomic Energy Commission	74	--------		
Civil Service Commission	137	--------		
Commerce, Dept. of	66	332		
Health, Education and Welfare, Dept. of	7,362	83		
Interior, Dept. of	265	--------		
Labor, Dept. of	17	--------		
National Aeronautics and Space Administration	103	2		
National Science Foundation	27	--------		
Post Office Department	549	64		
Railroad Retirement Board	108	--------		
State, Dept. of	824	678		
Tennessee Valley Authority	2,173	--------		
Transportation, Dept. of	7	--------		
United States Information Agency	126	229		
Veterans Administration	757	5		
Total	12,636	1,650	5	--------

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Country and Agency Switzerland	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	79	479		
Atomic Energy Commission	530	4		
Civil Service Commission	260	--------		
Commerce, Dept. of	18	134		
Defense, Dept. of	13,800	--------		
Health, Education and Welfare, Dept. of	3,889	2		
Interior, Dept. of	1,149	--------		
Justice, Dept. of	44	2		
Labor, Dept. of	15	1		
National Aeronautics and Space Administration	15	2		
National Science Foundation	90	--------		
Peace Corps	--------	17		
Post Office Department	284	371		
Railroad Retirement Board	16	--------		
State, Dept. of	5,545	4,484		
Tennessee Valley Authority	5,402	--------		
Transportation, Dept. of	10	2		
Treasury, Dept. of the	6	38		
United States Information Agency	122	114		
Veterans Administration	323	3		
Total	31,597	5,653	3	--------

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Country and Agency Syrian Arab Republic	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission ----------	12	--------		
Health, Education and Welfare, Dept. of ----------	87	--------		
Post Office Department ----------	9	--------		
Railroad Retirement Board ----------	--------	3		
United States Information Agency ---	--------	5		
Veterans Administration ----------	--------	56		
Total ----------	108	64	3	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Tanzania	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	5	--------		
Peace Corps	--------	2		
State, Dept. of	510	331		
United States Information Agency	86	108		
Veterans Administration	3	--------		
Total	604	441	--------	--------

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Country and Agency Thailand	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	20,542	8,313		
Agriculture, Dept. of ----------	33	128		
Atomic Energy Commission ----------	1	--------		
Civil Service Commission ----------	66	--------		
Commerce, Dept. of ----------	34	194		
Defense, Dept. of ----------	199,200	200		
Health, Education and Welfare, Dept. of ----------	147	--------		
Interior, Dept. of ----------	5	--------		
Justice, Dept. of ----------	27	122		
Labor, Dept. of ----------	36	--------		
National Aeronautics and Space Administration ----------	2	--------		
Peace Corps ----------	516	512		
Post Office Department ----------	85	--------		
State, Dept. of ----------	2,937	1,780		
Transportation, Dept. of ----------	732	10		
Treasury, Dept. of the ----------	2	--------		
United States Information Agency ---	1,284	1,519		
Veterans Administration ----------	42	--------		
Total ----------	225,691	12,778	21	--------

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Country and Agency Togo	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Health, Education and Welfare, Dept. of	1	17		
Peace Corps	203	371		
State, Dept. of	189	263		
United States Information Agency	58	95		
Total	452	746	--------	--------

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Country and Agency Trinidad & Tobago	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	22	16		
Civil Service Commission	20	--------		
Commerce, Dept. of	3	--------		
Defense, Dept. of	18,700	--------		
Health, Education and Welfare, Dept. of	326	--------		
Justice, Dept. of	6	--------		
Post Office Department	2,641	--------		
State, Dept. of	399	187		
Transportation, Dept. of	-5	--------		
United States Information Agency	55	61		
Veterans Administration	39	--------		
Total	22,206	264	1	--------

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Country and Agency Trust Territories of the Pacific Islands	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Commerce, Dept. of	637	--------		
Interior, Dept. of	27,487	--------		
Peace Corps	1,391	--------		
Transportation, Dept. of	305	--------		
Total	29,821	--------	--------	--------

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Country and Agency Tunisia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	522	171		
Agriculture, Dept. of ----------	--------	33		72
American Battle Monuments Comm. ----	14	37		
Civil Service Commission ----------	--------	3		
Commerce, Dept. of ----------	--------	1		
Health, Education and Welfare, Dept. of ----------	6	315		
National Science Foundation --------	--------	93		
Peace Corps ----------	152	273		
Post Office Department ----------	--------	13		
Smithsonian Institution ----------	--------	404		
State, Dept. of ----------	531	621		18
United States Information Agency ---	77	289		
Veterans Administration ----------	--------	3		
Total ----------	1,302	2,256	15,229	90

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Country and Agency Turkey	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	1,449	33		
Agriculture, Dept. of ----------	33	37		
Civil Service Commission ----------	71	--------		
Commerce, Dept. of ----------	--------	1		
Defense, Dept. of ----------	32,000	29,800		
Health, Education and Welfare, Dept. of ----------	280	--------		
Justice, Dept. of ----------	71	59		
Labor, Dept. of ----------	1	--------		
Peace Corps ----------	23	18		
Post Office Department ----------	42	--------		
Railroad Retirement Board ----------	14	--------		
State, Dept. of ----------	1,877	688		
Transportation, Dept. of ----------	76	--------		
United States Information Agency ---	404	359		
Veterans Administration ----------	43	--------		
Total ----------	36,384	30,995	316	--------

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Country and Agency Uganda	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	168	807		
Civil Service Commission ----------	3	--------		
Health, Education and Welfare, Dept. of ----------	77	166		
Peace Corps ----------	98	141		
State, Dept. of ----------	373	214		
Treasury, Dept. of the ----------	--------	3		
United States Information Agency ---	49	92		
Veterans Administration ----------	1	--------		
Total ----------	769	1,423	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Union of Soviet Socialist Republics	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	69	10		
Atomic Energy Commission	30	--------		
Commerce, Dept. of	4	--------		
Health, Education and Welfare, Dept. of	11	--------		
Labor, Dept. of	2	--------		
National Aeronautics and Space Administration	6	--------		
National Science Foundation	8	--------		
Post Office Department	210	--------		
State, Dept. of	1,472	768		
Transportation, Dept. of	2	--------		
United States Information Agency	232	19		
Total	2,046	797	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
United Arab Republic	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	--------	56		7,503
Civil Service Commission	--------	67		
Health, Education and Welfare, Dept. of	4	1,110		
Library of Congress	--------	217		
National Science Foundation	1	--------		
Post Office Department	29	--------		
Smithsonian Institution	--------	238		
State, Dept. of	428	445		2,350
United States Information Agency	4	82		
Veterans Administration	--------	1		
Total	466	2,216	212,047	9,853

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Country and Agency United Kingdom	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	291	972		
American Battle Monuments Comm.	17	74		
Atomic Energy Commission	1,110	--------		
Civil Service Commission	1,034	--------		
Commerce, Dept. of	478	503		
Defense, Dept. of	229,300	1,900		
Health, Education and Welfare, Dept. of	16,543	137		
Interior, Dept. of	986	2		
Justice, Dept. of	103	16		
Labor, Dept. of	69	--------		
National Aeronautics and Space Administration	1,867	333		
National Science Foundation	617	--------		
Panama Canal	5	--------		
Peace Corps	--------	23		
Post Office Department	1,066	1,821		
Railroad Retirement Board	233	--------		
Smithsonian Institution	--------	8		
State, Dept. of	3,124	3,193		
Tennessee Valley Authority	289	--------		
Transportation, Dept. of	504	9		
Treasury, Dept. of the	113	44		

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
United Kingdom - Continued	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
United States Information Agency ---	1,382	565		
Veterans Administration ----------	2,748	15		
Total ----------	261,879	9,615	19	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Upper Volta	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	--------	17		
Peace Corps	108	201		
State, Dept. of	213	232		
United States Information Agency	58	95		
Total	379	545	--------	--------

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Country and Agency Venezuela	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	339	190		
Agriculture, Dept. of ----------	47	169		
Atomic Energy Commission----------	1	--------		
Civil Service Commission ----------	25	--------		
Commerce, Dept. of ----------	23	176		
Defense, Dept. of ----------	21,100	--------		
Health, Education and Welfare, Dept. of ----------	373	--------		
Interior, Dept. of ----------	2	--------		
Justice, Dept. of ----------	40	--------		
Labor, Dept. of ----------	--------	2		
Peace Corps ----------	259	882		
Post Office Department ----------	115	--------		
State, Dept. of ----------	1,435	1,124		
Transportation, Dept. of ----------	2	--------		
United States Information Agency ---	423	431		
Veterans Administration ----------	132	--------		
Total ----------	24,316	2,974	--------	--------

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Country and Agency Uruguay	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	-268	156		
Agriculture, Dept. of ----------	2	6		
Civil Service Commission ----------	16	--------		
Health, Education and Welfare, Dept. of ----------	89	8		
Peace Corps ----------	58	49		
Post Office Department ----------	20	--------		
State, Dept. of ----------	1,065	575		
United States Information Agency ---	214	263		
Veterans Administration ----------	7	--------		
Total ----------	1,203	1,057	2	--------

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Country and Agency Viet-Nam	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agency for International Devel. ----	13,315	19,628		
Agriuclture, Dept. of----------	4	--------		
Atomic Energy Commission ----------	18	--------		
Civil Service Commission ----------	23	--------		
Commerce, Dept. of ----------	72	--------		
Defense, Dept. of ----------	481,300	39,300		
General Services Administration ----	45	--------		
Health, Education and Welfare, Dept. of ----------	21	--------		
Justice, Dept. of ----------	--------	26		
Labor, Dept. of ----------	162	--------		
Post Office Department ----------	4	--------		
State, Dept. of ----------	6,081	3,861		
Transportation, Dept. of ----------	1,062	--------		
United States Information Agency ---	3,233	1,952		
Veterans Administration ----------	32	--------		
Total ----------	505,372	64,767	4,809	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Yemen	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Health, Education and Welfare, Dept. of	51	--------		
Post Office Department	1	--------		
State, Dept. of	166	1		
Total	218	1	--------	--------

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Country and Agency Yugoslavia	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	38	1,447		433
Civil Service Commission	--------	51		
Commerce, Dept. of	14	126		
Defense, Dept. of	2,000	--------		
Environmental Protection Agency	--------	4		
Health, Education and Welfare, Dept. of	26	10,859		
Labor, Dept. of	--------	11		
Library of Congress	23	295		
National Science Foundation	--------	233		
Post Office Department	657	--------		
Railroad Retirement Board	--------	221		
Smithsonian Institution	--------	554		
State, Dept. of	1,288	999		
Transportation, Dept. of	-10	2		
United States Information Agency	435	1,127		
Veterans Administration	--------	570		
Total	4,471	16,499	52,489	433

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
Zambia	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Civil Service Commission	1	--------		
Commerce, Dept. of	1	--------		
Health, Education and Welfare, Dept. of	14	--------		
Post Office Department	--------	14		
State, Dept. of	275	300		
United States Information Agency	42	113		
Veterans Administration	2	--------		
Total	335	427	--------	--------

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Country and Agency	Overseas Expenditures		Foreign Currency Available at June 30 for	
American Republics	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Defense, Dept. of ----------	94,500	--------		

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Country and Agency All Other	Overseas Expenditures		Foreign Currency Available at June 30 for	
	U.S. Dollars	Foreign Currency	U.S.Use	Conversion
Agriculture, Dept. of	32	--------		
Civil Service Commission	127	--------		
Commerce, Dept. of	192	4		
Defense, Dept. of	324,900	100		
Health, Education and Welfare, Dept. of	20	--------		
National Aeronautics and Space Administration	2	--------		
Post Office Department	40	--------		
Tennessee Valley Authority	15	--------		
Transportation, Dept. of	19	--------		
Total	325,347	104	--------	--------

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