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U.S. FOREIGN POLICY IN A YEAR OF TRANSITION

A Chronology of Events in the Foreign Affairs Field
During 1972

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FOREWORD

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., August 22, 1973.

This chronology, which was prepared by the Congressional Research Service of the Library of Congress, is being printed by the Committee on Foreign Affairs in the belief that it will be useful to the Congress as well as to students of U.S. foreign policy.

The selection of material included, however, does not necessarily reflect the views or judgment of the committee.

THOMAS E. MORGAN, *Chairman.*

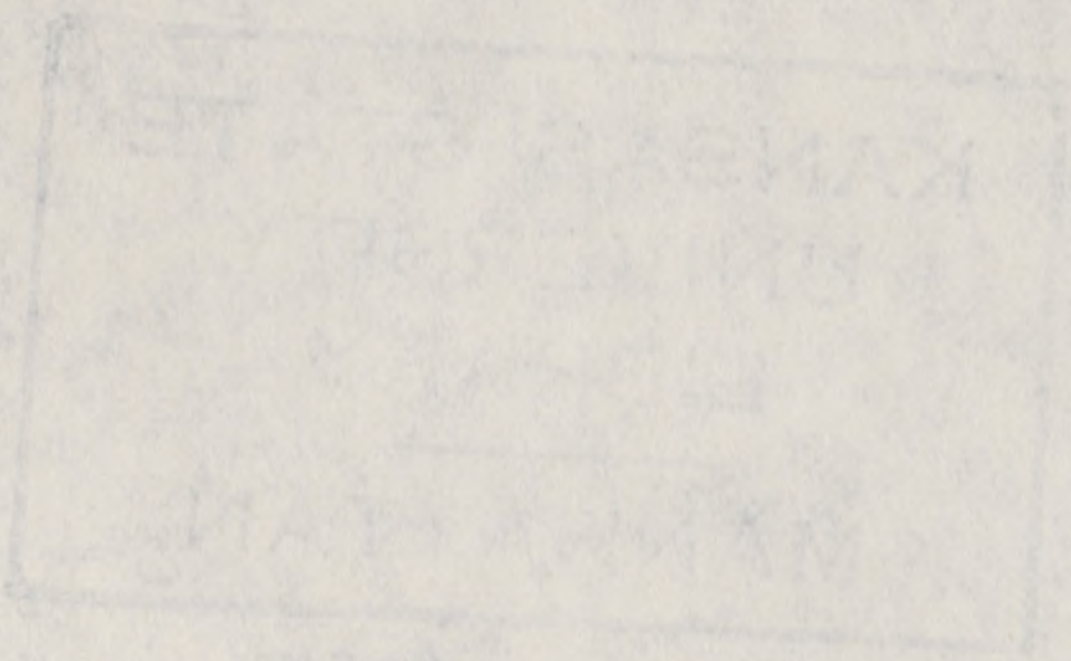
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FOREWORD

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THOMAS H. MORAN, Chairman



PREFACE

This is the second annual chronology prepared by the Foreign Affairs Division of the Congressional Research Service for the House Committee on Foreign Affairs. It is a selection of the major events throughout the world during 1972 which provide the background for foreign policy issues facing the United States during 1973 and beyond.

The information for the chronology was gathered in a computer through the year as part of a system of keeping track of developments relating to legislative issues in the areas of foreign policy, international and regional affairs, and national defense and security. The chronology for 1972 is broken down into eight geographic and five functional sections. Three of the latter are additions to the 1971 format: Foreign aid and international economic policy, arms control and disarmament, and national defense and international security. Another innovation for 1972 is the addition of a summary at the beginning of each section.

The summary and chronology for each section were written by an analyst who specializes in the corresponding subject. The introductory summary was written by Miss Marion M. Montague, analyst in international relations, who also served as project coordinator and general editor. Assisting Miss Montague as editor was Mr. Harry Wrenn. The project was carried out under the direction of Mr. Warren R. Johnston, specialist in international politics and assistant chief of the Foreign Affairs Division.

PREFACE

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The summary and chronology for each section were written by analysts who specialize in the corresponding subject. The international relations section was written by Miss Judith A. Montgomery, an expert in international relations, who also served as project coordinator and editorial officer. Assistant Miss Montgomery as editor was Mr. Henry W. Brown. The project was carried out under the direction of Mr. W. Allen R. Johnston, specialist in international politics and assistant chief of the Foreign Affairs Division.

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¹For both the substance and the conduct of foreign policy relating to a particular geographic region, international law and organization, foreign aid and international economic policy, arms control and disarmament, or national security and defense, see the appropriate other section of this chronology. This section covers general foreign policy developments, with special reference to the respective roles of the President and the Congress.

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The following table lists the chapters and the number of pages each chapter contains. The total number of pages in the book is 175.

INTRODUCTORY SUMMARY

A global review of 1972 revealed a world moving rapidly in new directions on many fronts. Few countries were not in some measure affected. Two dramatic developments gave impetus to the new directions in international relations and U.S. foreign policy: the summit talks in Peking and those in Moscow. President Nixon's trip to the People's Republic of China opened the door for more constructive relations in the future between that country and the United States. His trip to the Soviet Union resulted in an expansion of relations between the two countries, which was formalized in agreements negotiated throughout the year relating to the limitation of nuclear weapons, trade, science, technology, medicine, and cultural exchange. Thus, the United States and China, and the United States and the Soviet Union, made positive moves away from postwar-era attitudes of confrontation and entered more confidently into negotiation as a means of easing tensions. The signing of the Quadripartite Agreement concerning Berlin mitigated one of the most cankerous problems which had divided the major powers and Europe since World War II. In addition, talks began in preparation for future conferences on European security and cooperation and on mutual and balanced force reductions.

Not so dramatic as the summit meetings, but highly significant in terms of its long-range ramifications, was the steady withdrawal of U.S. ground forces not only from Vietnam but from Southeast Asia in general. Moreover, though the war in Vietnam was not over, there was evidence by the end of the year that meaningful negotiations to that end were in progress.

New and serious problems pertaining to air piracy, terrorism, territorial waters, energy shortages, drugs, pollution, and exploitation of the oceans emerged. The United Nations and its related bodies, reflecting a shift in emphasis from peacekeeping functions to economic, social, and humanitarian matters, became the center of efforts to resolve these problems of international law and environment.

Moreover, while intense hostility between East and West was diminishing, the need for new monetary and trade machinery to replace that geared to a quarter of a century ago was placing obvious strains on relations between the United States and the non-Communist industrialized nations such as Canada, Japan, and the members of the Common Market, and between all the industrialized countries and the developing nations of Asia, Africa, and Latin America. International competition was no longer focused primarily on the political and military stage but had shifted to the economic.

In response partly to these developments and partly to more local political, social, and economic factors, large areas of the world were in a state of transition. A number of countries in Africa, Asia, and Latin America, prompted by the results of the summit talks, entered into diplomatic relations with Communist China and increased their

ties with other Communist countries. Stimulated by the climate of détente between the United States and the Soviet Union, relations between Eastern and Western Europe began to make visible progress toward normalcy through the negotiation of various bilateral and multilateral agreements pertaining to traffic, consular affairs, trade, and cultural exchanges. The flow of people, trade, and information throughout Europe increased.

As the United States withdrew more military forces from Asia and endeavored to limit its role in the affairs of other nations, many countries became more concerned with strengthening their regional security ties independently of the major powers. Some tended to become nationalistic and inclined to experiment with different forms of government; in more than a few instances they acquired authoritarian governments. These nationalistic tendencies sometimes manifested themselves in unfriendly acts toward foreigners and the nationalization of foreign investments—including those of the United States.

As 1972 drew to a close, it was apparent that the world was entering a new era. Though some problems of the cold war period lingered, the world was confronted with a variety of different and equally complex challenges. Severe tensions continued between the Soviet Union and China. Serious differences in political and economic philosophy continued to divide the United States, China, and the Soviet Union. Questions of the balance of power between the United States and the Soviet Union in the Mediterranean and the Persian Gulf remained. In terms of strategy, the relations between the United States and the Soviet Union remained bipolar. But global relations clearly were changing from bipolar to multipolar, and the fact of the interdependency of nations became more apparent with the realization that what occurred in one part of the world—especially in economic, technological, and environmental contexts—was likely to have repercussions throughout the whole world.

U.S. FOREIGN POLICY, THE CONGRESS, AND THE PRESIDENT: AN OVERVIEW¹

SUMMARY

The two outstanding developments in the conduct of American foreign policy during 1972 were the administration's dramatic initiatives toward rapprochement with the People's Republic of China and the Soviet Union, and the continuing and heightening struggle within the Congress to reinterpret the constitutional relationships between the legislative and executive branches. As a backdrop for both developments, Vietnam continued to be the year's major unresolved problem.

The President began the year with a spectacular diplomatic trip to the People's Republic of China in February; this was followed in May by a productive trip to the Soviet Union. The visit to the People's Republic of China formally opened the door to a change in the relations between that country and the United States, which was best expressed by the joint communique issued on February 27 stating that the two nations agreed that normalization of their relations was in the best interests of both countries. Other significant developments included Assistant to the President Henry Kissinger's return to Peking on June 19 for discussions on improving relations between the two countries, a limited renewal of trade, and provision for some cultural exchanges. (For fuller discussion of United States-China relations, see sections on Northeast Asia and on foreign aid and international economic policy.)

The trip to the Soviet Union by President Nixon resulted in the initialing of several agreements intended to ease future relations between the United States and the Soviet Union, the most dramatic of which was the agreement to limit strategic nuclear offensive weapons. Efforts to expand trade between the United States and the Soviet Union included the sale of grain, announced in May, and the trade expansion agreement signed in October. (For further discussion of United States-Soviet relations, see sections on Eastern Europe and the Soviet Union, on arms control and disarmament, and on foreign aid and international economic policy.)

The growing conflict between the executive and legislative branches over the conduct of foreign affairs and the direction of U.S. foreign policy found expression in many legislative initiatives. Completed legislation reflecting the conflict and the determination of the Congress to reassert its role in the conduct of U.S. foreign policy included an authorization bill for the State Department and the U.S. Information Agency; a law requiring the President to submit to Congress within a specified time all international agreements, other than treaties, to which the United States became a party; a resolution establishing

¹ Prepared by Lois B. McHugh, analyst in international relations.

a bipartisan Senate committee to study the possibility of terminating the national emergency; and the creation by the Senate of a committee to study the question of the classification of Government documents.

With regard to the authorization bill, 1972 was the first year in which legislation was passed requiring the State Department and USIA to obtain an authorization as well as an appropriation from the Congress, thus opening these two executive agencies to the scrutiny of the foreign policy committees of the Senate and the House. In the final act authorizing appropriations for the State Department, the Congress also required the creation of a high-level Presidential commission to study the organization of the executive branch for the conduct of foreign affairs and the respective roles of Congress and the Executive in foreign policymaking, and to make recommendations for greater effectiveness, efficiency, and cooperation in the formulation and conduct of U.S. foreign relations.

In June, the Senate passed a resolution establishing a bipartisan committee to study the possibility of terminating the national emergency first proclaimed in 1950 by President Truman and since used by Presidents to issue executive orders on numerous subjects without obtaining congressional approval of the actions. In August, the Congress enacted a law requiring the President to submit to the Congress any international agreement, other than a treaty, to which the United States became a party, within 60 days of its entry into force. Also in August, the Senate created a select committee to study questions related to the classification of Government documents by the executive branch. Although President Nixon had issued Executive Order 11652 in March, revising the system of classifying and declassifying Government documents, Congress maintained that the availability of information on various foreign policy issues remained a problem; by the end of the year the Congress and the President appeared to be on a collision course over Presidential use of executive privilege.

Significant and highly controversial legislation which Congress did not enact included the foreign aid authorization bill and legislation aimed at defining and limiting the war powers of the Chief Executive. 1972 was the second year in a row in which the Senate defeated the foreign aid authorization bill. Though the defeat in some respects indicated Senate sentiments on the end-the-war provisions contained in the foreign aid bill, it also reflected a deeper dissatisfaction with the entire foreign aid program, the ordering of the Nation's priorities, and the absence of what was regarded as adequate information for the Congress on the direction and operations of the aid program. During the year both the Senate and the House extensively considered legislation defining, and thus limiting, the war powers of the Chief Executive, but no final legislation was adopted.

The war in Vietnam continued to be an area of great concern to the United States during 1972. The President reduced the number of American ground troops in the area drastically throughout the year, but coupled this with increases in air bombing and the mining of the major harbors of North Vietnam. In late October, Assistant to the President Kissinger announced, following one of his many secret trips to the Paris negotiating conference, that "peace is at hand." His optimism was premature; and as a result of a breakdown in the peace

negotiations, President Nixon ordered the resumption of the bombing of North Vietnam on December 18. By the end of the year, however, all indications were that a cease-fire and a resumption of negotiations were imminent. (For further discussion of Vietnam, see sections on Southeast Asia and on national defense and international security.)

CHRONOLOGY

January 19: President Nixon announced that the United States would adopt a tougher attitude toward expropriation without adequate and swift compensation. The White House statement said that "we will presume that the United States will not extend new bilateral economic benefits to the expropriating country" until the country took "reasonable steps" to provide adequate compensation or unless there were major factors affecting U.S. interests which required continuance of aid.

January 27: The President today authorized and empowered the Secretary of State to exercise the functions vested in the President by section 505 of Public Law 92-156, without the approval, ratification, or other action of the President. Section 505 sets a ceiling on U.S. aid to Laos and also contains the requirement that the President submit a report to the Congress, within 30 days of the end of each quarter, on aid to Laos during the previous quarter.

February 1: Under Secretary of State for Political Affairs U. Alexis Johnson presented the Senate Foreign Relations Committee with the administration's statement concerning U.S. agreements with Portugal and Bahrain and a legal memorandum supporting its position.

February 7: The Foreign Assistance Act of 1972, authorizing appropriations for the fiscal year ending June 30, 1972, was signed by the President (Public Law 92-226).

February 9: During the President's radio address to the Nation upon transmitting his annual foreign policy report to the Congress, he indicated that the United States had treaty commitments to 45 nations.

February 11: The National Security Council made public certain information concerning proposed changes in the classification of security-related documents. Reportedly the NSC study proposed tougher regulations to keep classified information out of the hands of unauthorized persons, suggested the possibility of legislation similar to the British Official Secrets Act, and introduced measures such as a 30-year rule for complete declassification of all materials and an annual physical inventory of classified documents. The study was sent to several agencies for comments, and the final draft was given to the President on his return from China.

February 12: The Washington Post revealed the contents of a Defense Department memorandum critical of National Security Council recommendations for revising procedures concerning the declassification of Government documents.

February 21: President and Mrs. Nixon arrived in Shanghai, their first stop on an 8-day trip to the People's Republic of China.

February 21: According to the Department of State bulletin the Department of State has declassified "almost all of its foreign policy records for the years 1942-45 inclusive" as of the 21st of January. This action did not, however, void the Department's standing regulation which provides for the opening of records to researchers only after 30 years.

February 22: The Supreme Court agreed to decide whether the immunity conferred on Members of Congress by the Constitution gave partial or total protection against the Government's investigation of the publication of a portion of the Pentagon Papers by Senator Mike Gravel. The Court held that Senator Gravel and his aide were immune from questioning about legislative acts but not from questioning by a grand jury concerning the source or publication of documents.

February 29: Senior Adviser to the Secretary of State and Coordinator for International Narcotics Matters Nelson Grosse presented the Senate Armed Services Subcommittee on Drug Abuse a statement on bilateral and multilateral efforts to intensify drug abuse control programs.

March 3: The Senate passed Senate Resolution 214, expressing the sense of the Senate that the President should submit the executive agreements reached with Portugal for stationing troops in the Azores, and with Bahrain for establishing a new military base on their territory, as treaties for advice and consent by the Senate. The vote was 50 to 6.

March 8: Representative John Ashbrook announced that he was bringing suit against the Department of Defense under the Freedom of Information Act to force the release of the so-called Penkovsky papers. According to Representative Ashbrook, the information contained in the papers was essential to Congress for debate of a strategic arms limitation (SALT) agreement with the Russians.

March 8: Secretary of State Rogers, during testimony before the Senate Foreign Relations Committee on the State Department authorization, stated that he was satisfied with the role of the Department of State in foreign policymaking, did not feel overshadowed by Assistant to the President Henry Kissinger, and he did feel that President Nixon's foreign policymaking system was working very well. Other topics discussed included Radio Free Europe and Radio Liberty, repeal of the SEATO Treaty of 1954, and strengthening the State Department.

March 15: As a result of a Federal Aviation Administration complaint that unauthorized monitoring and dissemination of aircraft to control tower communications had a detrimental effect on law enforcement activities relating to hijacking, the Federal Com-

munications Commission gave FAA power to grant the necessary authority for interception and divulgence of aircraft-to-ground communications. In addition, the Director of FAA might impose any conditions or limitations on such authorization he deemed necessary.

March 16: The Washington Post reported that the State Department announced that 60 percent of U.S. relief aid for East Pakistan was being reprogramed or canceled, and that the disclosure came following charges by Senator Edward Kennedy that the Nixon administration had misled the American people on the extent of U.S. aid actually reaching that country.

March 16: Congressman William Moorhead, chairman of the Foreign Operations and Government Information Subcommittee, reported in the Congressional Record the events leading to refusal by the State Department, with the written concurrence of the President, to submit to the subcommittee the "country field submissions for Cambodia for the fiscal years 1972 and 1973." The information had been sought under section 634(c) of the Foreign Assistance Act of 1961, as amended. The President's reason for refusing to supply the documents requested was that they were preliminary planning documents which did not reflect final policy, and that the internal documents of the Executive must remain private for the proper functioning of the executive branch.

March 20: The Senate Foreign Relations Committee released the first of a series of staff analyses of the Pentagon Papers entitled "Vietnam Commitments 1961."

March 21: The Senate passed, by voice vote, Senate Concurrent Resolution 55, making it the sense of the Congress that the President should recognize Bangladesh as an independent foreign country and recognize the Government of that country. The resolution was not passed by the House. (Bangladesh was recognized by the United States on April 4.)

March 23: The Senate agreed (55 to 27) to Senate Resolution 280, authorizing Senate intervention in Supreme Court proceedings on behalf of Senator Gravel. The Justice Department was seeking action by the Supreme Court against Senator Gravel concerning his release of parts of the Pentagon Papers before their declassification.

March 30: Reportedly, Senate sources indicated that the White House had refused to allow a transcript to be kept of talks between Assistant to the President, Henry Kissinger and the Senate Foreign Relations Committee.

April 4: Congressman Les Aspin inserted in the Extension of Remarks section of the Congressional Record the reasons for filing a suit in Federal district court to force the Army to publicly release its investigation of the Mylai massacre. The suit was filed under the Freedom of Information Act.

April 6: H.R. 9526 (Public Law 92-270), Naval Vessel Loan Authorization, contained a provision that none of the loans of vessels to a country made under the act should be construed to be a commitment by the United States to the defense of that country.

April 10: In testimony before the House Foreign Affairs Subcommittees on Europe and the Near East, Rodger P. Davies, Deputy Assistant Secretary for Near Eastern and South Asian Affairs, said regarding the decision to homeport the U.S. 6th Fleet in Greece: "We have stated on many occasions * * * that our mutual security relationship with Greece has continued through many changes in regimes and administrations * * *. It is probably inevitable that homeporting will be seen by some, regardless of our actual motive, as an act of support for the Greek regime. Both the Government of Greece and the United States Government have publicly recognized the proposal for what it in fact is: an administrative measure to ameliorate a human problem. * * *"

April 11: According to the Washington Post, figures released for the first 3 months of 1972 showed that compared to the first 3 months of 1971, French narcotics police doubled their heroin seizures (from 407.5 kilos to 823.5 kilos) and nearly tripled narcotics trafficking arrests (from 12 to 32).

April 13: President and Mrs. Nixon left for a 3-day trip to Canada.

April 13: The Senate, in a vote of 68 to 16, passed S. 2956, a bill to limit the President's power to send American troops to engage in warfare undeclared by Congress.

April 20: The State Department authorization bill of 1972 was reported by the Senate Foreign Relations Committee. It contained a provision reestablishing a requirement that no person might be named, even informally, an Ambassador, or Minister without nomination by the President, and confirmation by the Senate. The bill also contained a provision that no funds authorized or appropriated by the Congress might be expended or obligated after December 31, 1972, for engaging U.S. land, sea, or air forces in hostilities in Indochina, provided that the North Vietnamese and their allies agreed to the release of all American prisoners of war, but this was eliminated during the Senate debate.

April 20: The Senate Foreign Relations Committee adversely reported House Joint Resolution 1, a joint resolution concerning war powers and the Congress.

April 28: The Senate passed H.R. 11350, increasing to \$80,000 the ceiling on dues for U.S. membership in the International Criminal Police Organization (Interpol). Interpol had recently increased its expenditures to concentrate on illegal drug trafficking.

May 6: It was reported that 17 Republican Members of the House of Representatives had written a letter to the President urging him to propose a cease-fire in Indochina and to seek a political settlement of the conflict in the United Nations.

May 9: It was reported that the Senate Democratic caucus voted 29 to 14 to condemn the escalation of the war by the President. The caucus also voted 35 to 8 to endorse a proposed Vietnam fund cut-off (in the Foreign Relations Authorization Act of 1972).

May 10: The President, in transmitting new legislation to the Congress which would continue U.S. Government funds to support Radio Free Europe and Radio Liberty, announced his intention to appoint a Presidential study commission on the two radios which would report to the President by February 28, 1973.

May 11: Congressman Ronald Dellums placed the so-called Kissinger Papers on the bombing of North Vietnam in the Congressional Record of May 10 and 11. These papers, which remained classified, had previously been leaked in part to the press. Senator Gravel thus far had been unsuccessful in receiving Senate authorization to print the papers in the Congressional Record.

May 17: The House passed H.R. 14734, the administration bill authorizing appropriations for the State Department and U.S. Information Agency, by a vote of 305 to 65.

May 18: The House passed H.R. 14989 by voice vote, providing appropriations for the Departments of State, Justice, Commerce, and the judiciary, and related agencies.

May 18: John R. Stevenson, State Department Legal Adviser, testified before the Senate Judiciary Subcommittee on Separation of Powers concerning the administration's executive agreement procedure. Referring to Senator Ervin's bill, Mr. Stevenson stated that it would "seriously hamper the ability of the President to resolve international differences by agreement." The waiting period required before the agreement could enter into force, he said, would be "extremely disadvantageous in a number of situations in which a rapid resolution of practical problems is essential."

May 19: A National Security Council directive "governing the Classification, Downgrading, Declassification and Safeguarding of National Security Information" was published in the Federal Register. The directive gave information on implementing Executive Order 11652.

May 20: President and Mrs. Nixon left Washington for a 13-day trip to Austria, the Soviet Union, Iran, and Poland.

May 31: The Senate passed H.R. 14734 by a roll call vote of 76 to 1 after substituting the language of S. 3526 for the House-passed language. The bill authorized fiscal year 1973 appropriations for the State Department, the United States Information Agency, the Peace Corps, and fiscal years 1973 and 1974 appropriations for the Arms Control and Disarmament Agency.

June 1: The President addressed a joint session of the Congress upon his return from his 13-day visit to Austria, the Soviet Union, Poland, and Iran. In this message, he outlined the several agree-

ments reached during the trip between the United States and the Soviet Union. These included: an agreement on "Cooperation in the Field of Environmental Protection"; an agreement on "Cooperation in the Field of Medical Science and Public Health"; an agreement on "Cooperation in the Fields of Science and Technology"; an agreement on the "Prevention of Incidents On and Over the High Seas"; an "Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms"; and a "Treaty on the Limitation of Anti-Ballistic Missile Systems." (The treaty was approved by the Senate on August 3, 1972, and the Interim Agreement on the Limitation on Strategic Offensive Arms was signed into law on September 30, 1972.) In his remarks the President stated: "I reiterated the American people's commitment to the survival of the State of Israel, and to a settlement just to all the countries of the area." He also said that the United States and the Soviet Union had agreed to support the peace-making efforts of U.N. Special Representative Gunnar Jarring.

June 3: Secretary of State Rogers and the Foreign Ministers of France, the Soviet Union, and the United Kingdom signed the final protocol to the Berlin Agreement. The agreement was expected to bring about a major improvement in the condition of travel to and from the city.

June 6: Senator Fulbright inserted in the Congressional Record the replies of the Departments of State and Defense to a series of questions concerning classification of documents and procedures for declassification.

June 7: Assistant Secretary of Transportation Benjamin O. Davis, Jr., called on the Nation's airlines to get tough with hijackers and stop treating them like first-class passengers. He also disclosed that two airlines (United and Pacific Southwest) had been fined \$1,000 for failing to screen passengers in accordance with the Federal hijacking rules adopted in February.

June 13: The Senate upheld a recommendation by the Foreign Relations Committee to cut off military assistance (except training assistance) to Pakistan, India, Bangladesh, and other South Asian nations by voting to strike an amendment which would have eliminated this section from the Foreign Aid authorization bill. The rollcall vote was 43 to 41. Another amendment struck a section of the committee bill transferring authorizations for military aid to South Vietnam and Laos back into the Foreign Assistance Authorization Act.

June 13: The House Foreign Affairs Committee voted to support President Nixon's plan for American withdrawal from Vietnam: e.g., that the U.S. withdrawal of troops would be completed 4 months after the prisoners were released and an internationally supervised cease-fire had been achieved throughout Indochina. Though it was not as strong as the House Democratic caucus resolution adopted on April 20, this endorsement was the first end-the-war position taken by the House committee.

June 14: The White House announced that Assistant to the President Henry Kissinger would pay a visit to the People's Republic of China from June 19 to 23, in order to carry on "concrete consultations with Chinese leaders to further the normalization of relations between the People's Republic of China and the United States and continue to exchange views on issues of common interest."

June 14: Charles W. Bray, a State Department spokesman, reportedly stated yesterday that the United States endorsed a new international convention to combat air piracy which could include the suspension of service to countries that do not cooperate in efforts to stop skyjackers. This convention had been presented to the International Civil Aviation Organization.

June 15: The President and Assistant to the President Henry Kissinger held a briefing at the White House on the Arms Limitation Treaty and the agreement signed with the Soviet Union. Invited to this briefing were 122 members of the five congressional committees having jurisdiction over the details of the agreements: the Joint Committee on Atomic Energy, Senate Foreign Relations Committee, House Foreign Affairs Committee, Senate Armed Services Committee, and House Armed Services Committee.

June 15: According to a special dispatch to the Washington Post, Asian mercenaries specially recruited by the Central Intelligence Agency and based in Laos carried out espionage and sabotage missions in North Vietnam.

June 15: Senator Case released a letter written to him by a naval officer aboard the aircraft carrier *Hancock* (off Vietnam) which stated that the Navy had sent reconnaissance planes over North Vietnam to draw fire so that Navy fighter bombers could bomb targets otherwise off limits under the cover of "protective reaction."

June 15: Senator Proxmire called on the Air Force to begin court-martial proceedings against retired Maj. Gen. John D. Lavelle for ordering unauthorized air strikes against North Vietnam while in command of the 7th Air Force. In April, General Lavelle had been removed from his command, demoted, and asked to retire after an investigation of his activities.

June 18: Senator Proxmire released a letter from General Accounting Office Deputy Comptroller General R. F. Keller which stated that without regular appropriations for the war, the Defense Department could spend funds for clothing, food, health care, and transportation, but not for ammunition, planes, tanks, guns, and war operations. The letter was a response to an assertion made by Defense Secretary Laird before a subcommittee of the Senate Appropriations Committee that the war could be continued under "the deficiency appropriation."

June 19: The Senate defeated, by a vote of 36 to 41, an amendment to the foreign aid authorization bill which would have deleted a

section from the bill barring use of funds to carry out agreements made with Portugal and Bahrain until the agreements had been submitted to the Senate as treaties for its advice and consent.

June 19: Members of the International Federation of Airline Pilots Association began a 24-hour work stoppage to demand more stringent sanctions against air hijackings. Most American pilots did not take part in the work stoppage owing to a Supreme Court restraining order.

June 19: Eugene Rossides, Assistant Secretary of the Treasury, said 626 persons had been arrested at airports and aboard aircraft by Federal sky marshals in the first 4 months of 1972. This was more than were arrested in all of 1971.

June 20: Reportedly, the Army ordered the release of previously withheld records of units involved in the Mylai massacre in Vietnam in response to an appeal by the Daily Oklahoman. The Daily Oklahoman had first requested the records on December 1, 1969, and had appealed the censorship on May 12, 1972, on the basis of the Freedom of Information Act and the Army's regulations.

June 20: Congressman Moorhead called the attention of the Congress to a report issued by the Subcommittee on Foreign Operations and Government Information of the Committee on Government Operations entitled "U.S. Economic Assistance to the Khmer Republic" which was critical of the economy and efficiency of the U.S. AID program in Cambodia. The investigation was made in spite of executive branch denial to the committee (through use of executive privilege) of information concerning the Cambodian AID program.

June 21: The House Foreign Affairs Committee voted to amend the foreign aid authorization bill to cut off U.S. aid to Thailand until that country took steps to stop drug traffic. The amendment would allow restoration of the aid when the President determined that Thailand was taking adequate steps to control this problem.

June 22: The House defeated by a vote of 205 to 121 an amendment to H.R. 15585, appropriating funds for the Treasury, Postal Service, and General Government for fiscal 1973. This amendment would have limited to 10 the number of persons employed by the White House who could refuse to appear before committees on grounds of "executive privilege."

June 23: The Senate passed Senate Resolution 304 establishing a Special Congressional Committee to study termination of the national emergency which had been in effect since 1950.

June 28: The Senate adopted by a vote of 59 to 30 a Sparkman-Scott amendment to the foreign aid authorization bill (S. 3390) which deleted those provisions barring the use of funds to carry out agreements with Bahrain until such agreements had been submitted to the Senate as treaties for its advice and consent. This left intact the provisions also in the bill relating to Portugal.

June 28: The White House announced that after consultation with the South Vietnamese Government and a thorough review of the situation, the President had decided to continue the withdrawal of U.S. forces to an authorized level of 39,000 by September 1, 1972. According to the press release, this move would bring the number of troops withdrawn during President Nixon's administration to 510,000.

June 30: The Senate agreed by a voice vote to the conference report on H.R. 14734, authorizing appropriations for the Department of State and USIA. The House had approved the report on June 28 by a vote of 314 to 77. As passed, the bill retained the restrictions on the President's use of unconfirmed ambassadors and on disseminating USIA information in the United States.

July 8: The White House announced that the United States and the Soviet Union "have signed the largest long-term commercial trade purchase agreement ever made between two countries." The President was reported to believe that the agreement was a very important concrete step in the future cause of commercial relations between the two countries. (See also the section on Foreign Aid and International Economic Policy.)

July 17: The Senate Foreign Relations Committee reported S. 2224, a bill to require the Central Intelligence Agency to report promptly and frequently to the House and Senate Armed Services, House Foreign Affairs, and Senate Foreign Relations Committees, and also, through these committees, to Members of Congress, to keep Congress adequately informed in matters relating to foreign policy and national security. The bill was referred to the Armed Services Committee and no further action was taken on it.

July 20: Congressman Les Aspin, commenting on a GAO report released earlier in the week, noted that the administration had incorrectly reported the amount of aid given to Vietnam under the Military Assistance Service Funded (MASF) program. He attributed this and other disparities in estimates to poor administration by AID and the Defense Department.

July 24: The Senate defeated S. 3390, the Foreign Aid Authorization bill, by a vote of 48 to 42 after adopting (1) a Mansfield amendment barring the use of funds to maintain U.S. forces in Vietnam after October 1, 1972; and (2) a Cooper amendment providing for withdrawal of U.S. forces from Vietnam, Laos, and Cambodia within 4 months after passage.

July 25: The Subcommittee on National Security and International Operations of the Senate Government Operations Committee completed hearings on the international negotiations conducted in connection with the SALT agreements.

August 1: The House approved the conference report on H.R. 11350, increasing the limit on dues paid by the United States to Interpol, thus clearing the measure for the President.

August 2: The Senate passed H.R. 15495, the Military Procurement Authorization Act, by a vote of 92 to 5 after adopting a series of amendments providing for withdrawal of U.S. forces from Laos, Vietnam, and Cambodia within 4 months after passage of the legislation, conditioned on the release of all U.S. POW's and establishment of an internationally supervised cease-fire.

August 3: The Senate, by a vote of 88 to 2, approved the treaty limiting antiballistic missile systems.

August 7: The House passed S. 3645, authorizing appropriations for Radio Free Europe and Radio Liberty, by a roll-call vote of 375 to 7, clearing the measure for the President.

August 8: The House Foreign Affairs Subcommittee on National Security Policy and Scientific Developments concluded a series of seven panel sessions in a hearing-symposium on "National Security Policy and the Changing World Power Alignment." The series was designed to provide an agenda for continuing congressional inquiry into the implications for U.S. foreign, domestic, and defense policy of the shift from a cold war world climate to one of rapprochement.

August 10: The House passed H.R. 16029, the Foreign Assistance Authorization Act of 1972, by a vote of 221 to 172. Before passing the bill, the House adopted an amendment which struck language calling for the United States to withdraw from Vietnam by October 1, 1972. The bill contained a provision cutting off aid to Thailand until the President determined that the Government of Thailand had taken adequate steps to prevent illegal production and trafficking in narcotics.

August 14: It was reported that the Vietnamese Government News Agency had noted that President Thieu had signed a narcotics law demanding the death penalty for organized trafficking in such hard drugs as heroin and cocaine. The statute covered the manufacture, transport, sale, possession, and use of a wide range of narcotics.

August 14: The House passed S. 2956, the war powers bill, by a vote of 344 to 13 after amending it by substituting the language of House Joint Resolution 1. The bill died in conference.

August 15: Senate Resolution 299, establishing a select Senate committee to study questions related to secret and confidential Government documents, passed the Senate by voice vote.

August 16: House Resolution 1078, a resolution requiring the Secretary of Defense to furnish the Congress certain information on the American bombing of North Vietnam since March 1, 1972, was tabled by the House by voice vote.

August 18: The House passed House Resolution 1097 approving and authorizing the President to accept the "Interim Agreement between the United States and the U.S.S.R. on Certain Measures with Respect to the Limitation of Strategic Offensive Arms" by a rollcall vote of 329 to 7.

August 22: The President signed into law S. 596 (Public Law 92-403), which required the President to submit to the Congress "the text of any international agreement, other than a treaty, to which the United States is a party" no later than 60 days after it entered into force. Provisions were also included for transmittal of classified agreements.

August 29: The President signed into law S. 3726 (Public Law 92-412), which amended the Export Administration Act and established a Council on International Economic Policy in the executive branch. The President had established the Council by memorandum on January 19, 1971, and had requested funding from the Congress in July.

August 31: President Nixon and Prime Minister Tanaka of Japan met in Hawaii for 3 days to discuss issues of mutual interest. At a press conference before his departure for Hawaii, the President indicated that he and the Prime Minister would discuss a wide range of problems of the Pacific, as well as the current unfavorable balance of trade between Japan and the United States. The President stated that revaluation of the yen was not on the agenda.

August 31: Federal Aviation Administrator John H. Shaffer announced that all 18 of this year's attempted hijacks for ransom had failed. The Washington Post quoted Mr. Shaffer as stating: "There now is virtually no place on earth a hijacker can go with the realistic expectation that he will be allowed to keep the money he has extorted."

August 31: The Federal Register contained the "Document Declassification Procedures" of the following agencies: General Services Administration, Department of Defense, Atomic Energy Commission, Central Intelligence Agency, and the Departments of State, and Justice. These procedures were published pursuant to the requirements of the Freedom of Information Act, Executive Order 11652, and a National Security Council directive of May 17, 1972.

September 1: The Department of State released the 111-page report of the Cabinet Committee on International Narcotics Control entitled "World Opium Survey, 1972."

September 14: The House passed H.R. 16593, The Department of Defense appropriation bill, after eliminating by a vote of 208 to 160 an amendment which would have cut off funds for U.S. operations in Indochina except for withdrawal after 4 months.

September 21: By a vote of 75 to 1, the Senate passed S. 2280, a bill implementing the Convention for the Suppression of Unlawful Seizure of Aircraft. It would have empowered the President to suspend air service to countries he determined were either bases of operations for, or allowed themselves to be used for aid or sanctuary to, hijackers or air pirates. The bill later died in conference.

September 25: President Nixon established a Cabinet Committee to Combat Terrorism. Chaired by the Secretary of State and composed of the Secretaries of Treasury, Defense, and Transportation, the Attorney General, the U.S. Ambassador to the United Nations, the Director of the CIA, the Acting Director of the FBI, and the Assistants to the President for National Security Affairs and Domestic Affairs, the Committee was to consider the most effective means of combating terrorism in the United States and abroad and to coordinate the activities among the Government agencies involved.

September 26: Secretary of the Treasury George Shultz proposed a six-point program for international monetary reform to the annual meeting of the International Monetary Fund in Washington. The major proposals dealt with (1) exchange rates changes and convertibility, (2) the SDR as a unit of account, (3) methods for adjusting balance-of-payments imbalances, (4) the extent of capital controls, (5) recommendations for changes in international monetary institutions, and (6) the relationship of his program proposals to upcoming trade negotiations.

October 17: The House and Senate approved a conference report on House Joint Resolution 1331, continuing appropriations for foreign aid and other programs until February 28, 1973. H.R. 16029, the foreign aid bill for 1973, was locked in conference at the time of adjournment.

October 18: A 3-year United States-U.S.S.R. trade agreement was signed by Commerce Secretary Peterson and Soviet Foreign Trade Minister Patolichev, covering mutual trade problems. (See section on foreign aid and international economic policy.)

October 26: Assistant to the President Henry Kissinger announced during a press conference: "We believe that peace is at hand. We believe that an agreement is within sight * * * which is just to all parties. * * * We believe that by far the longest part of the road has been traversed and what stands in the way of an agreement now are issues that are relatively less important than those that have already been settled."

November 1: The President signed the Instrument of Ratification of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation which had been approved by the Senate on October 3, 1972. In his remarks, the President stated that actions which made diplomats, government officials, or private citizens the pawns in a politically motivated dispute undermined the safety of every other person, and he called upon the United Nations to adopt several other conventions currently before them which also dealt with terrorism.

November 10: The White House announced a major reassessment of the functions of all U.S. foreign policy agencies. Deputy Press Secretary Donald L. Warren said the key question was the relationship between the State Department, which dealt with foreign

policy only, and other agencies, such as the Treasury and Commerce Departments, which were also involved in foreign policy questions.

November 14: It was reported that the United States and Turkey had agreed on a rural development plan under which Turkish opium poppy growers who had been forced out of business by their Government's policy of banning poppy production would be helped in switching to other farming through technical assistance supplied by the Department of Agriculture.

November 16: In response to a Cuban initiative, Secretary of State Rogers asked the Swiss Ambassador to inform Cuba that the United States was "prepared to engage in any process which will produce results" on the hijacking issue. On December 5, the Secretary announced that the United States and Cuba now had "a foundation for an agreement" on a hijacking treaty.

November 16: Four American historians brought suit to force the FBI to release its files on Alger Hiss and on the Pentagon to release its records on "Operation Keelhaul," according to an article in the Washington Post. The article continued that both suits were part of "a broad attack by the American Civil Liberties Union on what it calls unwarranted Government secrecy, in apparent violation of the 1966 Freedom of Information Act."

November 19: The New York Times compiled a series of statistics on hijacking from the Federal Aviation Agency which indicated that 218 persons had been involved in 159 hijackings in this country or on U.S. planes abroad. Of these, 124 were fugitives, 44 had been convicted in the United States, 5 had been convicted abroad, 16 were in mental institutions, 5 had been killed during the hijackings, 3 had committed suicide, 4 had been acquitted, and charges had been dropped against 15. Cases were pending against the remainder.

November 22: Multilateral preparatory talks designed to prepare the way for holding a European security conference opened in Helsinki. [See the section on Western Europe and Canada, and Eastern Europe and the Soviet Union.]

November 23: According to the Los Angeles Times, Senator Fulbright stated that any agreement to end the Vietnam war should be submitted to the Senate for approval, and that his proposal was prompted by reports that the agreement would obligate the United States to spend huge sums in economic aid on Indochina.

December 7: Secretary of State Rogers, at a meeting of NATO Ministers in Brussels, read a letter from President Nixon reiterating the U.S. pledge to maintain and improve U.S. forces in Europe and not reduce them unless there was reciprocal action by the Warsaw Pact.

December 11: The President announced that he would nominate Daniel P. Moynihan to be Ambassador to India.

December 11: U.S. District Judge W. Matt Byrne, Jr., declared a mistrial in the Pentagon papers trial of Daniel Ellsberg and Anthony J. Russo, and directed that a new jury be selected. His action came after a panel of the Ninth U.S. Circuit Court of Appeals indicated that it would be foolish to proceed with jurors chosen 4 months ago.

December 13: The White House announced that James Keogh had been nominated to head the U.S. Information Agency, succeeding Frank Shakespeare.

December 19: The Washington Post carried comments made by Members of Congress concerning the resumption of bombing over North Vietnam. Senator Symington indicated that he wanted Assistant to the President Henry Kissinger summoned to explain why no peace agreement had been achieved. Senator Mansfield urged enactment of antiwar legislation and surmised that the breakdown of negotiations and the stepped-up bombing would make it more difficult for the Congress to remain quiet while negotiations were in progress.

December 21: The White House announced that CIA Director Richard Helms would be nominated by the President to be Ambassador to Iran, and that James R. Schlesinger, Chairman of the Atomic Energy Commission, would be nominated to succeed Mr. Helms.

December 24: It was reported that the State Department had recommended the elimination of the Defense Department's role in pacification efforts in Vietnam through a transfer of the program to assist war victims to AID, and that administration officials had stated that the National Security Council would make the final decision on the transfer. The recommendation was based on the extensive report of a team of foreign assistance inspectors who visited Vietnam during the fall.

December 29: The United States requested that the Swedish Ambassador to the United States not be replaced when he left his post in January. There had been no U.S. Ambassador to Sweden since Jerome Holland's resignation in June 1972. The U.S. request was a reaction to a statement made by the Swedish Prime Minister comparing the bombing of North Vietnam to the Nazi massacres of World War II.

December 30: The White House announced that Assistant to the President Henry Kissinger and North Vietnamese Politburo member Le Duc Tho would resume their negotiations on January 8, 1973. Technical talks between the two sides were to be resumed January 2, 1973.

December 30: It was reported that Secretary of State Rogers and Assistant to the President Henry Kissinger had been invited by both the Senate Foreign Relations Committee and the House Foreign Affairs Committee to discuss problems related to the Vietnam peace proposals.

LATIN AMERICA²

SUMMARY

In 1972, significant developments in Latin America occurred primarily in the areas of: United States-Chile relations, especially within the context of the Chilean Government's 1971 nationalization of U.S. private business interests; the U.S. relationship with Cuba, and the apparent trend among some Latin American nations toward liberalization of their policies on Cuba; increasing Latin American ties with Communist nations; and the overall issue of maritime fishing rights, heightened by the "tuna war" involving the United States and Ecuador.

In March, an official Haitian delegation visited the United States on a good will tour. Mexican President Luis Echeverria visited the United States in June, and in December a high-level Chilean delegation arrived in Washington for talks. Also in June, outgoing Secretary of the Treasury John B. Connally visited six Latin American nations as part of a world tour. There were essentially no new developments in the Panama-United States Canal treaty negotiations, each side maintaining its basic positions of 1971.

Five Latin American nations experienced changes in leadership as a result of Presidential or Parliamentary elections (Grenada and Jamaica in February, Uruguay in March, Nicaragua in May, and El Salvador in July), and two as a result of coups d'etat (Ecuador in February and Honduras in December).

Statements by several leaders suggested that United States-Latin American relations lacked focus in 1972. On March 9, Secretary of State William P. Rogers told the Senate Foreign Relations Committee that the United States "has not done everything it should with regard to Latin America" because of its preoccupation with other parts of the world. In April, Organization of American States (OAS) Secretary General Galo Plaza called for a "concrete definition of U.S. policy" toward Latin America and said the absence of such policy had "adversely affected the conduct of inter-American relations."

United States-Chilean Relations

On January 19, 1972, President Nixon enunciated a new U.S. policy toward foreign expropriation of U.S. private interests. He stated that unless there were major factors in the U.S. interest which merited continuation, the United States would not extend additional aid to the expropriating nations and would oppose the granting of credits by international lending institutions to such countries until they took "reasonable steps" to provide compensation. President Nixon's an-

² Prepared by Virginia M. Hagen, analyst in Latin American affairs.

nouncement was sharply criticized by Chilean President Salvador Allende, whose government was involved in a compensation dispute with Anaconda and Kennecott Copper, U.S. companies. He accused the United States of attempting to impose an "economic blockade" on his nation.

Chilean-United States relations suffered an additional strain following syndicated columnist Jack Anderson's March 21 allegation that the International Telephone and Telegraph Co. (ITT) had sought U.S. Government support in preventing President Allende from taking office in 1970. While the Nixon administration stated that it had "firmly rejected" any proposals to block President Allende from taking office, the Senate Foreign Relations Committee announced that it would study the ITT affair as part of a larger inquiry into the effect of multinational corporations on U.S. foreign policy. The Chilean Chamber of Deputies formed a special committee to investigate the activities of ITT and the Central Intelligence Agency in Chilean internal politics. On July 3 the New York Times reported that in 1971, ITT had submitted an 18-point plan to the Nixon administration designed to assure the fall of President Allende's government within its first 6 months in office.

The Chilean verdict on its compensation dispute with the Kennecott and Anaconda Cos. was announced on August 11, when a special Chilean copper tribunal ruled that the Government was authorized to bill the companies for repayment of \$774 million in "excess profits," a figure reportedly more than the book value of the two companies' holdings in Chile.

The Chile-Kennecott dispute intensified in September and October when Kennecott withdrew from further negotiations with Chile and prevailed upon a French court to order a seizure of the copper cargo and a freeze on payment of \$1.33 million due the Chilean Government for a shipment of Kennecott-claimed copper. The copper cargo was diverted to Rotterdam, where similar action was taken by a Dutch court at the request of Kennecott.

On December 4, Chilean President Allende addressed the U.N. General Assembly with an attack on U.S. multinational corporations, and indirectly the U.S. Government, for interference in Chilean internal affairs and imposition of an economic boycott designed to "strangle" the Chilean economy. Similar charges were made by the Chilean Government before other international bodies throughout the year.

In December 29, a high-level Chilean delegation arrived in Washington for 3 days of private talks with U.S. officials concerning major issues outstanding between the two nations.

United States-Cuban Relations

The administration's 1971 announcement of President Nixon's scheduled visit to Peking and the Soviet Union had raised the question of a possible change in policy toward Cuba. However, on January 2, 1972, in a televised news conference, President Nixon said that there would be no change in United States-Cuban relations until Premier Castro renounced his policy of exporting revolution to Latin America.

The U.S. position was later reaffirmed by Secretary of State William P. Rogers in April at the Second OAS General Assembly. He said Cuba's "continuing interventionist behavior," "support for revolution," and "close and active military ties with the Soviet Union," "constitute a threat to the peace and security of the Hemisphere. . . ." Also in April, a number of congressional sponsors held a 2-day seminar to hear the views of various scholars and to consider changes in U.S. relations with Cuba.

Premier Fidel Castro, on July 26, set forth his conditions for the renewal of relations with the United States: U.S. renunciation of its role of "policeman" in Latin America, U.S. unconditional withdrawal from Guantanamo Naval Base, and an end to the U.S. economic and trade embargo of Cuba.

The issue of aircraft hijackings to Cuba came to the fore in late fall. On November 13, the Cuban Government broke precedent by informing the United States that it would jail and try three hijackers of a Southern Airways jet in October. Two days later the Cuban Government announced its readiness to take steps toward reaching agreement on the hijacking problem. The United States responded by indicating its willingness to engage in negotiations. The "foundation for an agreement" was announced by Secretary of State Rogers on December 5. In another unprecedented action, the United States on December 21 found three hijackers of a Cuban fishing vessel to Florida "excludable" from the United States.

Latin American Ties With Cuba

In 1972, Latin American ties with Cuba increased, despite OAS political and economic sanctions against the Castro regime. On April 7, the Chilean Government, which had renewed diplomatic relations with Cuba in 1970, became the first OAS member among those which had upheld OAS sanctions against Cuba to break the economic blockade. It did so by signing a commercial agreement with Cuba for trade in foodstuffs. Chilean President Salvador Allende visited Premier Castro in December, the first Latin American head of state to do so since Castro came to power in 1959.

Peru, after an unsuccessful attempt in June to get members to agree to modify OAS policy toward Cuba so that each member might develop the kind of relationship it desired with Cuba, reestablished diplomatic relations with Cuba on July 8. In December, four Caribbean nations, Barbados, Guyana, Jamaica, and Trinidad and Tobago, also established diplomatic relations with Cuba.

Latin American Ties With Communist Countries

SOVIET UNION

In 1972 the Soviet Union granted assistance to two Latin American countries besides Cuba: Chile and Peru. On January 26, a high-level Soviet economic mission visited Chile to develop an aid program which included a \$50 million Soviet loan to finance imports, an additional \$40 million in technical assistance, and \$50 million in industrial credits. In March, Chile and the Soviet Union signed a scientific and cultural

cooperation agreement, and in June an agreement promoting economic and technical cooperation. Chilean President Allende visited the U.S.S.R. in December, and though no concrete assistance to the Chilean Government was indicated in the final joint communique, U.S. military sources later reported that prior to Allende's visit, the Soviet Union had offered Chile \$50 million in credits for purchase of military equipment.

On August 9, the Peruvian Government announced a Soviet grant of \$30 million in credits for fishing port construction.

PEOPLE'S REPUBLIC OF CHINA

Mexico and Argentina announced the establishment of diplomatic relations with the People's Republic of China in February, as did Guyana in June.

Chile, which had established diplomatic relations with China in 1971, announced at the end of January that it had been granted a \$70 million loan by China. In June, the first Chilean ministerial delegation to China signed agreements on technical, economic, and commercial cooperation and trade. These provided for Chile's receiving a \$65 million interest-free loan and industrial and agricultural equipment from China, and for the sale of Chilean copper and foodstuffs to China.

In June, the Peruvian Government ratified economic and technical cooperation agreements with China and Bulgaria.

The "Tuna War" and Latin American Fishing Rights Controversy

The "tuna war" continued in 1972 with the capture by Ecuador of 25 U.S.-flag tunaboats. Assistant Secretary of State Charles A. Meyer met with Ecuadorean officials in Quito in January to seek a solution to the issue. In early February, the House Inter-American Affairs Subcommittee held hearings on the fishing rights controversy. A congressional ban on U.S. aid to Ecuador, inserted in the Foreign Assistance Appropriations Act of 1972, was waived by President Nixon in March "in the national interest."

In another development concerning fishing rights, Brazil and the United States announced in May what was possibly a precedent-setting agreement regulating the activities of U.S. shrimp fishermen within Brazil's claimed 200-mile maritime jurisdiction. The following month, the foreign ministers of 15 Caribbean nations attending a week-long conference on maritime problems in Santo Domingo announced support for a "patrimonial sea" extending 200 miles from their coastlines, in which maritime states would be permitted to exercise exclusive jurisdiction over natural resources.

CHRONOLOGY

January 2: President Nixon, in a televised statement in response to a question concerning U.S. policy toward Peking and Havana, said that there would be no change in relations between Cuba and the United States until Premier Fidel Castro renounced his policy of exporting revolution to Latin America and of blaming the United States for Cuba's economic problems.

January 3: A Senate Foreign Relations Committee staff study, dated December 30, 1971, concluded that U.S. police and military aid to

Guatemala and the Dominican Republic was of dubious value and had done little to enhance the image of the United States. It also found that U.S. economic assistance programs had done little to solve the serious social and economic problems in the two nations.

January 3: Chile's Ambassador to the Organization of American States (OAS), Luis Herrera, charged in assuming chairmanship of the OAS Council that the concept of "judicial equality" among Organization of American States members clashed with the reality of "profound inequality in development" between the United States and the countries of Latin America and the Caribbean. Herrera described the relationship between the United States and Latin America as "serfdom in the economic, political, social, and even cultural realms."

January 4: In the first 1972 seizure of U.S.-flag tunaboats, the Ecuadorean Government captured a U.S. fishing boat for allegedly operating illegally within its claimed 200-mile maritime limit. Assistant Secretary of State for Inter-American Affairs Charles A. Meyer arrived in Quito on January 12 to resume talks, begun at the end of last year, seeking an end to the United States-Ecuadorean "tuna war."

January 12: Chilean President Salvador Allende asked foreign creditor banks and governments for a 3-year moratorium on payment of Chile's debts totaling between \$2 and \$3 billion. With foreign exchange reserves at a critical low, the Chilean Government had earlier suspended current payments on its debt in anticipation of a meeting with creditors in Paris next month.

January 17: The Subcommittee on the Panama Canal of the House Merchant Marine and Fisheries Committee continued its hearings, begun last session, on Panama Canal problems. Hearings were adjourned on January 18, subject to call.

January 19: In the first Presidential guideline concerning foreign expropriation of U.S. private investments, President Nixon said, "* * * we will presume that the United States will not extend new bilateral economic benefits to the expropriating country" until the country takes "reasonable steps" to provide adequate compensation or unless there are major factors affecting U.S. interests which require continuance of aid.

January 21: Peruvian gunboats captured two U.S. tunaboats about 30 miles off the coast of Ecuador, the American Tunaboat Association reported.

January 26: A high-level Soviet economic mission arrived in Chile to develop an aid program for Chile's economy, starting with a \$50 million loan in hard currency to finance imports. The mission was also to study specific projects to use Soviet credits of \$50 million for industry and construction, and more than \$40 million in technical assistance, agreed upon last year.

January 28: The Chilean Government announced that it had been granted a \$70 million loan by China to help the country overcome its current economic crisis.

January 31: The Defense Department said that the Soviet Union had sent Cuba two Osa-Class high-speed patrol boats equipped to carry the Styx missile, an antiship missile against which the U.S. Navy reportedly had no defense. These were the first such boats that Cuba had received. On May 4, the Defense Department announced that a Soviet submarine carrying three ballistic missiles had recently entered a Cuban port, the first submarine of this class, equipped with missiles of "relatively long range," detected in Cuban waters.

February 2: The Subcommittee on Western Hemisphere Affairs of the Senate Foreign Relations Committee was briefed in executive session on negotiations concerning the proposed Panama Canal treaties by Deputy Chief U.S. Negotiator David Ward.

February 3: The Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee held a hearing on fishing problems and United States-Latin American relations.

February 11: Chilean President Salvador Allende, in an interview with Brazilian journalist Louis Wiznitzer (La Presse, Montreal), commented on President Nixon's January 19 announcement that the United States would veto credits requested from international credit organizations by nations which expropriated U.S. private interests without due compensation: "The United Nations has clearly proclaimed that every nation has the right to own its natural resources, and if the United States used its influence within the international credit organizations to turn our pledge down it would be doing it for its own foreign-policy purposes. * * * We would have to lodge our protest with the United Nations, reminding its members that such actions by the United States constitute a threat to all of them. However, * * * we are respectful of the opinion and interests of others; and we are not afraid of threats because we have reason and right on our side."

February 14: The United States opened a large trade promotion center in Mexico which, according to Secretary of Commerce-designate Peter G. Peterson, was aimed at stimulating Mexican industrial exports to the United States and at consolidating the U.S. economic position in the Latin American region.

February 14: The Government of Mexico established diplomatic relations with the People's Republic of China, according to an announcement by the Mexican Foreign Ministry.

February 15: The Uruguayan Electoral Court officially declared Juan Maria Bordaberry, candidate of the incumbent Colorado Party, as the new President of Uruguay after the nation's bitterly contested presidential election in November 1971. Bordaberry took office on March 1 for a 5-year term.

February 16: Ecuadorean Army Commander in Chief Guillermo Rodriguez Lara was sworn in as new President of Ecuador following an armed forces coup d'etat February 15 which over-

threw ruling President Dr. Jose Maria Velasco Ibarra. The new government canceled the presidential elections scheduled by Dr. Velasco for June 1972.

February 19: The U.S. Government reportedly refused several requests by Chile for 90-day extensions in the repayment of its debts while negotiations were taking place in Paris on rescheduling Chile's total foreign debt. A State Department official commented that the U.S. position was that Chile "should continue paying its obligations until such time as rescheduling takes place."

February 19: The Governments of Argentina and the People's Republic of China announced the establishment of diplomatic relations.

February 21-24: The Subcommittee on the Panama Canal of the House Merchant Marine and Fisheries Committee held hearings in the Panama Canal Zone concerning new United States-Panama treaty provisions governing the Canal and their effect on Canal Zone residents and employees of the Panama Canal Company.

February 23: It was reported that in agreeing to supply Venezuela with 100 Sidewinder air-to-air defensive missiles, the United States had consented to supply a Latin American nation with such missiles for the first time.

February 24: The Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee held a hearing on the report of a November United States-Mexican bilateral trade meeting. Among the major issues discussed was the status of agricultural trade between the two nations.

February 25: The Chilean Government announced that it would pay \$84,618,000 in debts owed to the Braden Copper Co., a Kennecott subsidiary, while deducting \$8,120,000 of the original \$92,743,000 debt on grounds that it had not been usefully invested in Chile's El Teniente copper mine, in which Kennecott held 49 percent interest. After President Allende had suspended payment on the Braden debt in December 1971, a U.S. court in New York blocked the accounts of nine Chilean agencies, including LAN-Chile airlines, in U.S. banks.

February 26: El Salvador's electoral council declared victory for Arturo Molina, presidential candidate of the ruling National Conciliation Party. The El Salvadorean Congress, in which the National Conciliation Party held a majority, elected the new head of state on March 2. The President was inaugurated July 1.

February 28: Chilean President Salvador Allende said in a speech that Chile would not pay a \$171 million debt to the U.S. company Anaconda, since a constitutional amendment under which Chile nationalized foreign copper holdings had nullified the deal. The previous Chilean administration had agreed to pay that amount when it acquired a 51 percent interest in Anaconda's two copper mines.

February 28: The Chilean Government reportedly agreed to purchase a 727 jetliner from Boeing Aircraft as part of an approximately \$26 million package involving two larger 707 jetliners, parts equipment, and the continuation of training programs for Chilean pilots in the United States. Diplomatic sources in Washington speculated that the \$5.8 million purchase price might have come out of a recent \$50 million Soviet loan to Chile.

February 29: In Grenada, Prime Minister Eric Gairy's United Labor Party won 13 of 15 seats in the election for the island legislature to remain in power for another 5 years. Gairy also received a mandate to move Grenada toward independence from Britain.

February 29: In Jamaica's general election, the incumbent government of Prime Minister Hugh Shearer (Jamaican Labor Party) was defeated by Michael Manley (People's National Party). Final unofficial results were announced March 2.

March 1: The Chilean Government suspended a shipment of copper consigned to the Anaconda Co., and a senior Government official announced that \$203 million in Chilean promissory notes (contracted in 1969 as security for the purchase of 51 percent of the stock and controlling interests in Anaconda's mines) would not be honored.

March 2: The Senate agreed to the conference report on H.R. 12067 (the Foreign Aid Appropriations bill, previously agreed to by the House), which contained a provision excluding aid to Ecuador (because of seizures of U.S. tunaboats), "unless the President determines that the furnishing of such assistance is important to the national interest of the United States."

March 3: Chile and the Soviet Union signed an accord promoting scientific and cultural cooperation during 1972, Pravda reported. The accord especially aimed at interchange in fields of science, education, sports, public health, and the arts.

March 9: Secretary of State William P. Rogers, acting under authority delegated by President Nixon, ruled that continuation of aid to Ecuador would be in the U.S. national interest. This action voided the effect of the amendment incorporated in fiscal year 1972 foreign aid appropriations legislation which would have barred aid to Ecuador because of that nation's seizures of U.S.-owned fishing boats in waters regarded by the United States as international.

March 9: Secretary of State Rogers, in a hearing before the Senate Foreign Relations Committee, stated that the United States "has not done everything it should with regard to Latin America recently" because it has been "occupied in other parts of the world." He stated that recommendations would be submitted to Congress concerning regional tariff preferences for Latin America.

March 10: The Chilean Government announced an embargo on the remaining bank accounts and real estate of the Anaconda and Kennecott Copper companies.

March 11: The number of U.S. narcotics agents stationed in South American cities was reported as having increased sixfold in the last 2 months. According to the New York Times, the buildup reflected U.S. awareness of the increased use of South American routes by drug smugglers.

March 13: A three-man official delegation from Haiti headed by Luckner Cambronne, National Defense and Interior Minister, arrived in Washington for what was described as a good will visit. They met with U.S. officials of the Departments of State and Defense and officials of several international lending institutions.

March 15: State Department officials disclosed that the Nixon administration was giving "favorable consideration" to a request from the Haitian Government for credits to purchase U.S. military equipment. Credits expected to amount to about \$1.5 million in 1973 would constitute the first direct U.S. assistance to Haiti since the Kennedy administration banned U.S. arms sales to Haiti in 1962.

March 21: Internal documents of the International Telephone and Telegraph Co., made public by syndicated columnist Jack Anderson, suggested that ITT sought the assistance of the Nixon administration to create economic pressures in Chile, and otherwise plotted to prevent Salvador Allende from assuming the presidency in 1970. ITT denied Anderson's charges. On March 23, the State Department said that the Nixon administration had "firmly rejected" any ideas of blocking Chilean President Allende's inauguration or of ousting him.

March 24: The Senate Foreign Relations Committee announced that it would conduct a major inquiry into the influence of multinational corporations on U.S. foreign policy, beginning with an investigation of assertions that ITT sought to interfere in Chilean domestic politics and sought U.S. Government support.

March 29: The Bolivian Government ordered 119 members of the Soviet Embassy staff to leave the country within 7 days, implying that the Soviets were financing leftist rebel movements in the country. The Soviet Union denied any interference in Bolivian affairs.

March 29: The Chilean Government was reported to have nationalized three explosives plants owned by the U.S. firm E. I. du Pont de Nemours & Co., and to have set a price of \$1 million for its assets.

March 30: The Chilean Chamber of Deputies formed a special commission to investigate the alleged activities of CIA and ITT aimed at preventing President Allende from taking office in 1970.

March 31: In an interview with Business Week magazine, former CIA Director John A. McCone, a director of ITT, confirmed the authenticity of secret ITT memorandums made public last week by syndicated Columnist Jack Anderson. McCone insisted, however, that ITT's true policy had been distorted by press interpretations of the memos.

March 31: The Kennecott Copper Co. received almost \$5.9 million from the Chilean Government as the first installment of debt repayment owed Kennecott for purchase of its 51 percent controlling share of the El Teniente mine. The second installment of \$5.7 million was subsequently paid on July 6.

April 7: Chile signed a commercial agreement with Cuba providing for the trade of food products between the two countries, according to a Havana Radio broadcast. Chile was the first OAS member nation among those which had upheld OAS sanctions against Cuba to break the economic sanctions.

April 11: OAS Secretary General Galo Plaza, speaking to foreign ministers at the opening session of the Second Annual OAS General Assembly in Washington, said that "there is a need for a concrete definition of the U.S. policy vis-a-vis Latin America. The absence of such a definition has adversely affected the conduct of inter-American relations."

April 12: In response to the Peruvian Government's call at the Second Annual OAS General Assembly, for an end to OAS "ostracism" of Cuba, U.S. Secretary of State William P. Rogers stated that "Cuba's continuing interventionist behavior," "support for revolution," and "close and active military ties with the Soviet Union" still "constitute a threat to the peace and security of the Hemisphere within the meaning of the 1964 OAS decision which established diplomatic and economic sanctions" against Cuba.

April 13: Senior officials in Washington disclosed that President Nixon had ordered warships in the Caribbean to protect, "by force if necessary," the merchant vessels of countries "friendly" to the United States from harassment by the Cuban Navy.

April 19: Senators Edward M. Kennedy and Harold E. Hughes joined in urging a study on possible normalization of relations with Cuba in the opening session of a congressionally sponsored 2-day seminar on the OAS political and economic boycott of Cuba.

April 20: In Paris, the United States and 13 other creditor nations reached a compromise agreement with the Chilean Government on rescheduling its international debts, while obtaining Chilean "acceptance of the principles of payment of just compensation for all nationalizations in conformity with Chilean and international law."

April 25: The Subcommittee on the Panama Canal of the House Merchant Marine and Fisheries Committee opened hearings in executive session concerning the traffic of narcotic drugs through Panama.

May 1: Nicaraguan President Anastasio Somoza left office at the end of his 5-year term. Government control passed to a triumvirate which is to exercise presidential powers until elections based on new constitutional provisions are held in 1974.

May 1: Chilean President Salvador Allende accused the United States of imposing an "economic blockade" on his nation by blocking the granting of long-term development credits by international banks. He charged that Washington had closed off several hundred million dollars in lines of credit that Chile had had with private banks before he became president.

May 3: Cuban Premier Fidel Castro left for a 10-nation trade and goodwill tour with scheduled visits to Guinea, Sierra Leone, Algeria, Bulgaria, Romania, Hungary, Poland, East Germany, Czechoslovakia, and the Soviet Union.

May 9: Brazil and the United States signed an agreement providing an interim settlement of their dispute over fishing rights off the Brazilian coast. The United States agreed to impose a voluntary limit on the number of private U.S. shrimp boats permitted to operate within Brazil's claimed 200-mile territorial sea.

May 20: The Brazilian Government announced the purchase from French manufacturers of a \$59 million air-traffic control and air-defense radar system. This brought the cost of equipping the country with one squadron of 16 French-built Mirage jet fighters to over \$100 million.

June 4: The Washington Post reported that in an unpublished resolution, the Inter-American Commission on Human Rights had stated that there was a "persuasive presumption" of torture and abuse of prisoners in Brazil and had requested that the Brazilian Government investigate the charges and present its results to the Commission. Amnesty International, on September 5, issued a report with similar findings and requested investigation by an independent inquiry panel.

June 6: Outgoing Secretary of the Treasury John B. Connally left Washington on a month-long mission to 15 nations, including Venezuela, Brazil, Colombia, Argentina, Bolivia, and Peru.

June 8: The Organization of American States, by a vote of 13 (including the United States) to 7, with 3 abstentions, rejected a Peruvian resolution which would have allowed each OAS member nation to establish the kind of relationship it desired with Cuba.

June 8: The first Chilean ministerial delegation to visit China signed four agreements on technical and economic cooperation, trade contracts, long-term commercial cooperation and payments. Partial terms of the agreements provided that China furnish Chile an interest-free loan of \$65 million, light industry factories, and agricultural and mining tools production equipment. Chile was to sell copper and nitrate and foodstuffs to China.

June 9: The foreign ministers of 15 Caribbean nations announced their support for territorial waters extending to 12 miles and "patrimonial" waters extending to a maximum of 200 miles in which maritime states could exercise full sovereignty over the natural resources. The declaration came at the end of a week-long conference on Caribbean maritime problems held in Santo Domingo.

June 12: The Senate voted agreement to the resolution of ratification of a treaty with Honduras recognizing Honduran sovereignty over the Swan Islands [Ex. H, 92d Congress, 2d Session], signed in Honduras on November 22, 1971.

June 12: The Senate voted agreement to the resolution of ratification of the Inter-American Convention to Prevent and Punish Acts of Terrorism [Ex. D, 92d Congress, 1st Session], signed in Washington on February 2, 1971.

June 15: In a speech before a joint meeting of the U.S. Congress, Mexican President Luis Echeverria, beginning a 6-day state visit to the United States, warned against reducing world politics "to dealings among powerful nations" while ignoring the rights and interests of less developed nations. President Echeverria questioned why the United States did not use the "same boldness and imagination that it applies to solving complex problems with its enemies to the solution of simple problems with its friends."

June 17: A joint communique officially marking the end of 2 days of talks between President Nixon and Mexican President Luis Echeverria provided that the United States would designate a special representative to begin work immediately to "find a permanent, definitive and just solution" to the problem of reducing the salinity content of the Colorado River flowing into Mexico.

June 25: Argentina's exiled former dictator, Juan D. Peron, was nominated by his Justicialista Party as its candidate in presidential elections scheduled for March 1973. Peron returned to Argentina from Spain November 17 with the declared intention of helping to pacify and unite his country.

June 26: Venezuela and the United States reached an agreement aimed at averting higher U.S. oil import duties through modification of Venezuela's earlier position to terminate a 1952 bilateral trade agreement. An exchange of notes between the two Governments provided for retention of two provisions of the treaty; reciprocal grants of most-favored-nation status and U.S. tariff concessions on imports of Venezuelan petroleum at the present level.

June 27: The Senate voted to table an amendment to the Foreign Assistance Act of 1972 (S. 3390, authorizations for fiscal year 1973 foreign assistance), offered by Senator John V. Tunney, to withhold military assistance and military sales from Brazil until it had been determined that the Brazilian Government was not engaging in the torture of political prisoners.

June 29: Guyana and the People's Republic of China established full diplomatic relations, making Guyana the fifth Latin American nation to exchange envoys with Communist China.

June 30: Chile and the Soviet Union signed an economic and technical cooperation agreement, according to the Soviet news agency Tass.

June 30: The Peruvian Foreign Ministry announced that Peru had ratified agreements with Communist China and Bulgaria for economic and technical cooperation. Under the agreements, China would furnish Peru with an interest-free loan totaling \$42 million, and Bulgaria would provide technical aid for port and fishing industry equipment.

July 3: The New Times reported that memoranda in its possession indicated that in October 1971 the ITT had submitted an 18-point plan to the Nixon administration designed to assure that the government of President Salvador Allende in Chile would not "get through the crucial next 6 months."

July 6: A joint Soviet-Cuban communique issued at the end of a 10-day visit to Moscow by Cuban Premier Fidel Castro indicated continued Soviet economic assistance and support for Cuba's foreign policy. The communique also called for removal of the U.S. base at Guantanamo and an end to the U.S. "economic and political blockade" of Cuba.

July 8: The Governments of Peru and Cuba agreed to reestablish diplomatic relations which had been suspended by Peru in compliance with OAS sanctions against Cuba in 1964.

July 11: Cuba became the ninth member of the Soviet bloc's economic alliance, COMECON.

July 24: Chilean President Salvador Allende announced a new Government economic plan including investment of more than \$760 million in industrial and farm production over the next 2 years. Most of the money would come from Communist countries, which, Allende said, had already pledged \$400 million in credits.

July 24: The Subcommittee on the Panama Canal of the House Merchant Marine and Fisheries Committee opened hearings concerning the Panamanian Government's seizure of the Boise Cascade-owned Panama Light & Power Co. A State Department official testified that the Panamanian Government was negotiating in good faith with the Boise Cascade Corp., 90-percent owners of the Panama Power & Light Co., to provide compensation for the seized power utility.

July 25: The Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee held a hearing on "New Capital Markets: A New Approach to Foreign Aid."

July 26: Cuban Premier Fidel Castro, in a speech commemorating the 19th anniversary of the Moncada barracks attack, said that Cuba would not reestablish ties with the United States until the latter gave up its role of "policeman" in Latin America, unconditionally withdrew from Guantanamo Naval Base, and ended its economic and trade embargo of Cuba.

July 28: The Venezuelan Congress approved a bill guaranteeing State control of the domestic petroleum market by 1975.

August 6: Panamanians voted in a national election, for the first time since Gen. Omar Torrijos seized power in 1968, to select members for the "Assembly of Community Representatives" a constituent assembly charged with adopting a new constitution and laying the groundwork for resumption of civilian rule in Panama.

August 9: The Soviet Union awarded the Peruvian Government \$30 million in credits for construction of a large fishing port at Paita, according to a news report in *Le Monde*.

August 11: A special Chilean copper tribunal ruled that the Chilean Government could bill the Anaconda and Kennecott Cos. for repayment of \$774 million in "excess profits" from their mining operations since 1955. The companies announced on August 14 that they would appeal the decision.

September 8: The United States and Colombia signed a treaty renouncing all U.S. claims to Quita Sueno Bank, the cays of Roncador and Serrana Banks, and three groups of small reefs in the Caribbean located between 380 and 460 miles off the Colombian mainland.

September 11: Panama's "Assembly of Community Representatives" accused the United States of having occupied the Canal Zone arbitrarily voted to reject the \$1.93 million annuity paid annually by the United States for use of the Panama Canal Zone.

September 12: The Panamanian Assembly named National Guard Chief Brig. Gen. Omar Torrijos "maximum leader" of the Panamanian revolution and conferred upon him special governmental powers.

September 12: The Panamanian Government announced that it had reached an agreement with a U.S. firm, Boise Cascade, for Panama purchase of its Panama Light & Power Co. Panama Light & Power had been occupied by Government forces since May 31.

October 1: A World Council of Churches report charged that the Government of Uruguay had engaged in "widespread violation of basic human rights," including both physical and psychological torture of political prisoners, in its current efforts to wipe out Tupamaro revolutionaries.

October 6: Panamanian leader Gen. Omar Torrijos strongly criticized maintenance by the United States of its hemispheric joint command (SOUTHCOM) in the Panama Canal Zone, declaring it a threat to Panama's military security.

October 6: The Superior Paris Court ordered a freeze on payment of \$1.33 million for shipment of Chilean copper due to arrive in France October 15, acting on the request of the Braden Co., a subsidiary of Kennecott, which said it had been unlawfully denied compensation for the nationalization of its copper mines in Chile.

October 6: The Chilean Government charged that France was violating international law and participating in "an attempt to establish an economic boycott" of Chile by ordering the seizure of a shipment of Chilean copper at the request of the Kennecott Copper Corp. In September, Kennecott withdrew from further legal procedures in Chile, stating that it would look for remedies to the situation in other countries.

October 13: It was reported that Canadian and Dutch banks had decided to grant no further lines of credit to Chile pending resolution of the French-ordered embargo on a \$1.33 million payment for purchase of Chilean copper.

October 19: At the request of the American Braden Kennecott Co., the Rotterdam District Court ordered seizure of a West German freighter in port with a disputed cargo of copper from Chile. Earlier this week, the freighter had been diverted from Le Havre to avoid seizure of its cargo under a similar French court order.

November 13: The Cuban Government informed the United States that the three hijackers who forced a Southern Airways jet to Cuba on October 11 would not receive political asylum and would be jailed as common criminals.

November 15: Haitian President Jean Claude Duvalier dismissed Minister of Interior and Defense Luckner Cambronne, widely regarded as the strongman of the Haitian Government.

November 15: The Cuban Government announced that it was ready to take steps leading to agreement with the United States on the hijacking problem. Secretary of State William Rogers stated the next day that the United States was "prepared to engage in any process which will produce results" on the issue.

December 3: Chilean President Salvador Allende arrived in New York to attend the U.N. General Assembly. In an interview he said that a recently concluded meeting in Santiago attended by representatives of the three other major copper-producing nations, Peru, Zambia, and Zaire, had produced resolutions accusing the Kennecott Copper Corp. of "economic aggression" and recommending that the four suspend all economic and commercial transactions with the company.

December 4: In a speech before the U.N. General Assembly, Chilean President Salvador Allende accused U.S. banking interests and corporations, especially ITT and Kennecott, of "imperialism" and "aggression" in the form of interference in Chile's internal affairs and of an economic boycott designed to "strangle" the Chilean economy, "paralyze" Chile's trade, and deprive Chile of access to international financing sources. Allende attacked huge unregulated transnational corporations which, he said, were waging "a pitched battle" against sovereign states and undermining "the entire political structure of the world."

The Chilean Government had made similar charges against multinational corporations and the U.S. Government before other

international bodies, notably the Third U.N. Conference on Trade and Development on April 14, the Second Annual OAS General Assembly on the same date, and the U.N. Economic and Social Council on October 18.

December 4: U.S. Ambassador to the United Nations George Bush, responding to Chilean President Allende's charges against the United States, called a news conference and denied that foreign private enterprise was "imperialistic." He stated that "nothing in our foreign trade is supposed to exploit people," and rejected any U.S. role in an economic boycott of Chile, declaring that Washington wanted good relations and sought only just compensation for the assets of U.S. firms nationalized by President Allende's administration.

December 4: The Honduran Army overthrew President Ramon E. Cruz and installed as the new President Gen. Oswaldo Lopez-Arellano, Command of the Armed Forces and former President of Honduras. The main reason given by the military for the coup was the failure of a 1971 bipartisan agreement providing for Honduran political unity through shared power between the two major parties, Nationalists and Liberals, and the resultant "situation of chaos and weakness."

December 5: The chairman of a special Chilean tribunal reportedly announced that the Cerro Corp. would receive almost \$19 million in compensation from the Chilean Government for its nationalized Andina copper mine.

December 5: Secretary of State William P. Rogers said that the United States and Cuba now had a "foundation for an agreement" on a hijacking treaty which would encompass Cuba's request that ships as well as aircraft be subject to the agreement. The United States and Cuba exchanged draft texts of an agreement through Swiss Ambassador to Cuba Silvio Masnata, acting as negotiator for the United States, who arrived in Washington yesterday.

December 8: With U.S. military aid to Chile continuing under a \$10 million credit agreement signed with President Salvador Allende's Government in May 1971, administration officials confirmed delivery of a C-130 Air Force transport.

December 8: Formal agreements to establish diplomatic relations at the ambassadorial level were signed between the Cuban Government and the Governments of Barbados, Guyana, Jamaica, and Trinidad and Tobago. On December 13, the State Department described the action by the four nations as "an unfortunate development."

December 10: A joint communique issued at the end of Chilean President Salvador Allende's 4-day visit to the Soviet Union expressed continued Soviet economic and political support for the Chilean Government, although no material assistance was announced.

On December 12 U.S. military sources reported that, prior to Allende's visit, the Soviet Union had offered him \$50 million in low-interest credits to purchase Soviet military equipment.

December 10: Chilean President Salvador Allende arrived in Cuba to visit Cuban Premier Fidel Castro. This was the first time since Castro's 1959 rise to power that the head of a Latin American nation had visited Cuba.

December 11: The Cuban Government resumed the Cuba-United States refugee airlift program canceled by Premier Fidel Castro on May 12. The airlifts had been suspended on January 19 and resumed briefly on March 13 before their cancellation.

December 13: Cuban Premier Fidel Castro, speaking at a rally honoring visiting Chilean President Salvador Allende, said that Cuba would "try sincerely" to find a solution to the hijacking problem with the United States, but that Cuba was not seeking reconciliation with "Yankee imperialism." "Mr. Nixon has said he will not change his position on Cuba," Castro commented. "What do we care what Mr. Nixon thinks in that ultra-reactionary and fascist brain of his?"

December 14: Former Argentine President Juan Peron left Argentina to return to his exile in Spain, leaving behind a statement in which he refused the presidential nomination offered him 2 days earlier by the Justicialista Liberation Front.

December 19: In what is believed to be the first action of its kind, the United States refused to back a World Bank loan to Brazil on grounds that the loan did not encourage redistribution of wealth.

December 20: A high-level Chilean delegation began talks with U.S. representatives in Washington concerning major outstanding problems between the two countries. Foremost issues on the agenda were expected to be Chilean nationalization of U.S. private holdings, the refinancing of Chile's debt to the United States, and Washington's blockage of international credits to Chile. The talks lasted 3 days and remained secret.

December 21: The State Department said that the three Cubans who hijacked a fishing boat to Florida December 6 had been found to lack proper papers and were "excludable" from the United States. Earlier, officials had said that this unusual U.S. treatment of Cuban refugees constituted a test case in view of the ongoing Cuba-United States hijacking negotiations.

December 22: Bolivian Interior Minister Mario Adett Zamora said that a new guerrilla movement financed by Cuban Premier Fidel Castro was responsible for the assassination attempt against President Hugo Banzer. More than 30 persons were arrested in a reported plot to "Vietnamize Bolivia."

December 25: President Nixon ordered his Cabinet to make "an all-out effort to provide needed help to Nicaragua," whose capitol Managua was devastated by an earthquake December 23. Beginning on December 24, U.S. Air Force jets leaving at 1-hour intervals carried medical and relief supplies to Managua.

WESTERN EUROPE AND CANADA³

SUMMARY

The attention of West European countries focused mainly on three areas during 1972: the enlargement of the European Economic Community, the expansion of East-West European relations, and transatlantic relations. Whereas some improvement was noted in East-West European relations, notably with the signing of a treaty governing relations between the two Germanies and the ratification of West Germany's treaties on the renunciation of the use of force with the Soviet Union and Poland, transatlantic relations continued to be strained. This was particularly true with reference to the EEC's trade policies, the U.S. balance-of-payments deficits, and monetary reform. Major differences over trade policies and practices also persisted between the United States and Canada.

Developments in Western Europe

1972 was a year of transition for Western Europe. It was a year of waiting for Britain, Ireland, and Denmark to join the Common Market (EEC) after they had signed the Treaty of Accession to the EEC on January 22 in Brussels. Norway had also signed the treaty, but in a national referendum held in September, its electorate rejected membership. While waiting for the formal entry of Britain, Ireland, and Denmark to take place on January 1, 1973, the six original members postponed important decisions concerning the functioning of the community's institutions and the launching of new policies.

The six existing members did meet with the three future members, however, at an October summit meeting in Paris, where they laid the foundation for the community's work for the next decade: notably, formation of an economic and monetary union by 1980. As a first step, the European monetary cooperation fund was to be set up by April 1973: before the end of 1973, a report was to be made on conditions for the progressive pooling of member countries' international monetary reserves. Joint commitments were also made to outline action programs for common social and environmental protection policies by 1973. In addition, the nine agreed to elaborate a more coherent foreign policy, and accepted the principle of a "global" Mediterranean policy. The Paris meeting failed to adopt a common position on international monetary reform, and on trade negotiations with the United States, scheduled for 1973, and postponed the thorny issue of political union.

Preoccupation with inflation, which had afflicted all Common Market countries, prompted a special anti-inflation meeting in Luxembourg, also held in October. The finance ministers of the six, with those of Britain, Ireland, and Denmark also attending, promised to

³ Prepared by Pauline A. Mian, analyst in Western European affairs.

cooperate and promote some form of concerted action with unions and industry to keep down wages and prices, and to take joint action against movements of speculative capital.

EEC-U.S. Relations

Economic issues also dominated transatlantic relations during 1972, and continued to be sources of strain and tension between Europe and the United States. The EEC as an expanding trading power bloc remained both a strong source of attraction and a possible threat in the eyes of the United States. The United States viewed with a certain apprehension and frustration an enlarged Community of 253 million inhabitants with a GNP close to \$700 billion which, though the world's largest trading bloc to date, had failed to translate its economic power into a cohesive political power that spoke effectively with one voice and assumed commensurate world responsibilities.

The bones of contention between the United States and the EEC remained the same: The EEC's industrial free trade pacts with European Free Trade Association (EFTA) members not seeking EEC membership (in 1972 the EEC signed agreements with Switzerland, Sweden, Austria, Portugal, and Iceland); the EEC's proliferating preferential agreements (with the accession of Britain, new agreements were expected with Commonwealth countries); the EEC's Common Agricultural Policy with its system of variable levies; international monetary reform; trade barriers; and problems of alleviating the U.S. balance-of-payments deficit.

Steps were taken during 1972 towards negotiations on these issues. A "Committee of 20" was established in June within the International Monetary Fund (IMF) to examine proposals for a reform of the international monetary system; and at a meeting of General Agreement on Tariffs and Trade (GATT) members in November a new round of trade talks, similar to the Kennedy Round, was scheduled for September 1973. These talks were to differ from the Kennedy Round in that they would encompass not only industrial tariffs, but agricultural tariffs and such nontariff barriers (NTB's) as purchasing rules, export subsidies, safety and health standards, border taxes, and quotas. But the required mandate to negotiate had not yet been obtained by President Nixon from Congress.

Europeans took a dim view of the possibility that the United States might seek to link European trade concessions with a U.S. willingness to maintain its present troop strength in Europe. The issue of U.S. troops in Europe subsided somewhat in the United States during 1972, pending an agreement with the Warsaw Pact to enter negotiations on mutual and balanced force reductions (MBFR), and in the wake of efforts by European members of NATO to contribute more to their own defense—efforts still too modest, in the opinion of some American observers.

With regard to United States-Canadian relations, no progress was made in resolving differences in 1972. Negotiations on trade issues were interrupted pending the outcome of United States and Canadian elections in the fall and had not been resumed by the year's end.

East-West European Relations

In contrast with transatlantic relations, there were some concrete achievements and much activity in East-West European relations in 1972. Bilateral and multilateral efforts to break down the barriers that divided Europe and to effect a rapprochement between East and West—labeled a policy of détente—yielded a number of treaties and agreements.

On a bilateral basis, West Germany's 1970 treaties with the Soviet Union and Poland on the renunciation of the use of force were ratified in May and came into force in June. West Germany and Poland established diplomatic relations in September. A traffic treaty between East and West Germany went into effect in October; and in November the two German states reached agreement on a treaty regulating their future relations, which opened the door to membership in the United Nations for both Germanys and diplomatic recognition of the German Democratic Republic by the West. West Germany was not alone in seeking to normalize its relations with the East. In September, Spain and the Soviet Union signed a trade agreement. In October Italian Prime Minister Andreotti visited the Soviet Union, and Polish Communist Party leader Gierek visited France.

There was also much activity on a multilateral basis. In June the four allied powers, France, Britain, the Soviet Union, and the United States, signed the final protocol of the September 1971 Berlin Agreement, thus bringing it into effect. In November, 32 European nations, plus the United States and Canada, opened preparatory talks in Helsinki for the convening of a European Security Conference. An agreement to hold exploratory talks on mutual and balanced force reductions, parallel to the talks on the European Security Conference, was also reached with the Russians during President Nixon's visit to Moscow in May.

CHRONOLOGY

January 2-3: Finland's legislative elections marked slight gains for the leftist parties but still gave the non-Socialist parties a 108-92 majority in Parliament. The Social Democrats won 55 seats, the Communists 37, the Centrists 36, the Conservatives 34, the Country Party 18, the Liberals 7, the Christian Party 3, and the Swedish People's Party 10.

January 14: King Frederic IX of Denmark died in Copenhagen. He was succeeded by his eldest daughter, who was proclaimed Queen Margrethe II on January 15.

January 15: Maltese Prime Minister Dom Mintoff canceled his January 15 deadline for the evacuation of all British forces from Malta.

January 15: Italian Premier Emilio Colombo resigned after the decision by the small Republican Party to withdraw its parliamentary support from the Government, but he remained as head of a caretaker government. (A new government was formed February 18 under the premiership of Giulio Andreotti.)

January 16: Proposed legislation to designate Portugal's overseas territories as states and to give them wider autonomy "without affecting the unity of the nation" was published by the Government. The bill, which would immediately affect only the status of the African territories of Angola and Mozambique, required the approval of the National Assembly.

January 18: The Northern Ireland Government ordered a 1-year ban on all parades. The 6-month ban ordered August 9, 1971, had been due to expire in February 1972.

January 19: Talks were resumed among Britain, Malta, and NATO in Rome. Disagreement persisted over areas on the island that British and allied forces would use, the number of Maltese workers to be employed, whether naval units of countries outside the alliance (particularly Soviet warships) might make occasional visits to Valetta Harbor, and allied payments to Malta.

January 21: The cabinet of Belgian Prime Minister Gaston Eyskens was sworn in by King Baudouin. (On January 28, it won a vote of confidence in the Chamber of Deputies, 124 to 73, with 4 abstentions, thus ending the 10-week Government crisis.)

January 22: Representatives of Britain, Denmark, Ireland, and Norway signed the Treaty of Accession to the Common Market at Brussels. After ratifying the treaty, they were to join the enlarged Community officially as of January 1, 1973.

January 22: It was reported that Admiral Zumwalt, Chief of Naval Operations, told a secret session of the Senate Foreign Relations Committee that the Navy wanted "homeport" facilities in Greece.

January 24: Cyprus began formal negotiations with the EEC Executive Commission in Brussels to reach an agreement on Cypriot association with the EEC.

January 30: British troops shot and killed 13 men in Londonderry, Northern Ireland, during a Roman Catholic civil rights rally held in defiance of a Government ban. Another 13 persons were wounded, and three soldiers injured.

February 15: France agreed to reimburse Israel for the 50 Mirage jets which it had purchased and paid for, but which France never delivered because of the embargo imposed by President de Gaulle at the time of the 1967 Arab-Israeli war.

February 17: Britain's House of Commons approved, in principle, legislation to take Britain into the Common Market by a narrow margin of 8 votes. The Government won 309 to 301, with the aid of 5 votes from members of the small Liberal Party.

February 23: Rafael Paasio was sworn in as Finland's Prime Minister. Leader of the Social Democratic Party, he formed a minority government composed only of his party. Attempts to form a coalition with the Centrists failed over agricultural policy.

February 28: Italian President Giovanni Leone dissolved the legislature and called for general elections to be held May 7. This action followed the defeat of the 9-day-old Andreotti cabinet in the Senate. However, the Andreotti government was asked to serve as a caretaker administration until the elections. (See also May 7, and June 26.)

March 2: British Prime Minister Heath announced that certain interrogation methods which Britain's security forces had used against detainees in Northern Ireland would end. But, he told the House of Commons "interrogation in depth"—although not "severe techniques"—would continue.

March 3: The Senate, by a vote of 50 to 6, agreed to Senate Resolution 214, stating the sense of the Senate that any agreement with Portugal or Bahrain for military bases or foreign assistance be submitted as a treaty to the Senate for advice and consent.

March 3: The State Department announced that negotiations were under way for the sale to Greece of about \$70 million worth of arms for the fiscal year ending June 30. The arms would reportedly include F-4 Phantom jets, tanks, and other ground equipment. President Nixon had signed a memorandum to Congress, February 17, citing the Soviet naval buildup in the Mediterranean as justification for the aid.

March 11: Diplomatic sources in Nicosia, Cyprus, said that Archbishop Makarios, President of Cyprus, had agreed to let the U.N. Peacekeeping Force on the island inspect and take control of the cache of Czech-made weapons that the President smuggled into Cyprus in January.

March 13: Britain and the People's Republic of China agreed to elevate their diplomatic relations to ambassadorial level. In a communique announcing the exchange of ambassadors, Britain acknowledged that Taiwan "is a province" of China. Sir Alec Douglas-Home, Britain's Foreign Secretary, told the House of Commons that Britain's consulates on Taiwan would be closed.

March 21: Greek Prime Minister George Papadopoulos announced the dismissal of General Zoitakis as Regent of Greece and assumed the office himself.

March 24: The Prime Minister of the United Kingdom announced the suspension of Northern Ireland's Provincial Government, and the imposition of direct rule from London. Prime Minister Heath told the House of Commons that the steps were necessary to end the internal strife in the province. William Whitelaw was appointed to administer the province. (Direct rule became effective March 30.)

March 26: The United Kingdom and Malta ended 9 months of negotiations with the signing of a new 7-year defense agreement. The agreement provided that Britain would continue to maintain a garrison of around 3,000 men on Malta at an annual base rental

of about \$36 million. It specifically prohibited use of the island as a base by the Soviet Union or other Warsaw Pact countries.

April 6: The Scarman tribunal, which inquired into violence and civil disturbances in Northern Ireland in 1969, published its report. It stated that there was no evidence of plans to mount an armed insurrection to overthrow the Stormont government. It did state that there were planned acts of violence by extremist groups on both Protestant and Catholic sides.

April 10: Roy Jenkins, deputy leader of Britain's Labor Party, and two other members of the party leadership resigned in their offices in protest against Harold Wilson's Common Market policy.

April 15: President Nixon concluded a 3-day visit to Canada by signing a joint agreement with Prime Minister Trudeau to begin cleaning up the Great Lakes. The United States would spend between \$2.7 billion and \$3 billion over the next 5 years, while Canada would spend about one-seventh of that amount. An underlying purpose of the trip was to encourage an atmosphere of good feeling preparatory to the resumption of negotiations on economic and trade differences between the United States and Canada. The negotiations had been deadlocked since late January.

April 19: Lord Widgery, England's Lord Chief Justice, who conducted an official inquiry into the killing of 13 Roman Catholics in Londonderry, Northern Ireland, on January 30, issued a report stating that the British Army was not guilty of gross misconduct. Though the army was not totally blameless, the report said, the first shot had come from IRA terrorists.

April 23: Two-thirds of those voting in the French referendum on the admission to the Common Market of Britain, Norway, Denmark, and Ireland favored the enlargement of the Market, but only 60 percent of France's eligible voters went to the polls. The high abstention rate was accompanied by a high rate—over 7 percent—of blank ballots.

April 27: Britain lifted her ban on traditional parades in Northern Ireland and declared an amnesty for all people convicted of organizing or taking part in the marches in the last 4 months. Among others, the amnesty applied to two members of Parliament, Bernadette Devlin, and Frank McManus, who were facing jail sentences.

April 28: The Cabinet of West German Chancellor Willy Brandt failed to get a majority in the West German Parliament on a motion to approve the budget. The vote, 247 to 247, left the Bundestag temporarily in an impasse.

May 2: Canada announced plans to tighten controls over foreign takeovers of Canadian businesses by screening at Cabinet level those worth at least \$250,000 and with revenues in excess of \$3 million. Unless the review found that the purchase would result in significant benefit to Canada, it would not be permitted.

- May 3:* It was reported that Icelandic Government officials had assured Secretary Rogers that the Government had no plans to press for a withdrawal of American Navy and Air Force personnel from Iceland.
- May 7-8:* Returns of the parliamentary elections held in Italy, gave the Christian Democrats 38.8 percent of the total vote, compared with 39.1 percent in the 1968 elections. The neo-Fascists showed advances while the Communists suffered setbacks. No party achieved a majority in either chamber.
- May 10:* Results of a referendum held in the Republic of Ireland indicated that Irish voters approved membership in the European Common Market by a margin of more than 4 to 1.
- May 17:* The West German Bundestag ratified the treaty with the Soviet Union on the renunciation of force by a vote of 248 to 10, with 238 abstentions. The treaty with Poland was approved by a vote of 248 to 17, with 230 abstentions.
- May 25:* Britain's Secretary of State for Northern Ireland, William Whitelaw, announced the appointment of seven Protestants and four Catholics to an advisory commission he would consult while he remained responsible for the direct rule of Ulster.
- May 26:* The Treaty on Transport Questions, a general traffic agreement negotiated in April between East and West Germany, was signed. (It was ratified by West Germany September 16 and East Germany October 16, and entered into force October 17, 1972.) In addition to regulating a variety of items relating to goods traffic on railroads, highways, and waterways, the pact would allow West Germans to visit East Germany either as tourists or to see friends and relatives for 30 days a year. East Germans would be allowed to travel to West Germany "in pressing family matters."
- May 26:* The Irish Government announced the creation of a special criminal court of three judges to try without jury suspected members of the outlawed IRA. The courts were established to overcome the refusal of juries to convict IRA suspects.
- May 26:* The Polish Council of State unanimously ratified the treaty between the Federal Republic of Germany and the People's Republic of Poland on the renunciation of the threat or use of force.
- May 29:* The joint communique issued at the end of President Nixon's visit to Moscow stated that the United States and the Soviet Union agreed that a conference on security and cooperation in Europe should be convened "without undue delay." It also stated that procedures for negotiations of reciprocal reductions of armed forces and armaments in Europe should be examined "in a special forum."
- May 31:* The Presidium of the Supreme Soviet unanimously ratified the treaty between the Federal Republic of Germany and the Union of Soviet Socialist Republics on the renunciation of the threat or use of force.

May 31: The NATO Foreign Ministers, ending a 2-day meeting in Bonn, issued a communique stating that NATO members "propose that multilateral exploration on mutual and balanced force reductions be undertaken as soon as practicable, either before or parallel with multilateral talks on a conference on security and cooperation."

June 1: It was reported that the Navy said it had received permission from the Greek Government to begin assigning Navy personnel and their families to home ports in Greece.

June 3: The foreign ministers of Britain, France, the United States, and the Soviet Union signed the final protocol of the Berlin Agreement, bringing it into effect. The agreement was expected to bring a major improvement in the conditions of travel to and from the city.

June 3: Instruments of ratification were deposited in Bonn which brought into force West Germany's treaties on the renunciation of the threat or use of force with Poland and the Soviet Union.

June 5: Addressing a Harvard University convocation on the 25th anniversary of the Marshall plan, West German Chancellor Willy Brandt announced that the United States would receive the equivalent of \$47 million from West Germany, in gratitude for the plan. Mr. Brandt said the money would provide for the establishment of an educational foundation in Cambridge, Mass.

June 5: Greece and the People's Republic of China agreed to establish diplomatic relations. A joint communique stated in part: "The Chinese Government reaffirms that Taiwan is an undetachable part of the territory of the People's Republic of China. The Greek Government has taken note of the Chinese Government's position on this."

June 19: The Senate defeated, by a vote of 36 to 41, an amendment to the Foreign Aid Authorization bill, which would have deleted from the bill a section barring use of funds to carry out agreements made with Portugal and Bahrain until such agreements had been submitted to the Senate as treaties for its advice and consent.

June 23: The British Government announced that it would let the pound float in value for an indefinite period. This was regarded as a de facto devaluation because it would allow free market forces to set a new and lower international price for sterling.

June 26: Italian Premier Giulio Andreotti announced the formation of a center coalition government composed of his Christian Democratic Party with the Social Democrats and the conservative Liberals.

June 26: The Swedish Government raised to ambassadorial rank its chargé d'affaires in Greece. Sweden had recalled its ambassador after the military coup in 1967.

June 26: The International Monetary Fund (IMF) announced the formation of a "Committee of 20" to negotiate world currency re-

form and "related issues." The member nations, chosen on September 28, were: the United Kingdom, France, West Germany, the United States, and Japan, each of which would represent only itself. Fifteen nations selected to represent "clusters" of countries were: India, Brazil, Morocco, Sweden, Ethiopia, Argentina, Italy, Mexico, the Netherlands, Zaire, Austria, Canada, Belgium, Indonesia, and Iraq.

June 27: The French Socialist and Communist parties agreed on a 5-year "common program of government" should the two parties win a parliamentary majority in the legislative elections scheduled for March 1973.

June 30: The Swiss Parliament approved a law prohibiting arms sales to nations at war or threatened by war and authorizing the government to refuse export licenses for sales deemed detrimental to Swiss humanitarian and development projects. (Swiss arms exports totaled \$65 million in 1971.)

July 5: Secretary of State William Rogers ended a 1-day visit to Athens where reportedly he conferred with Greek leaders over matters of increased military cooperation between the United States and Greece.

July 5: President Pompidou of France named Pierre Messmer to replace Jacques Chaban-Delmas as Prime Minister.

July 5-11: French Defense Minister Michel Debre visited the United States. He conferred with Defense Secretary Laird on July 10.

July 7: West German Chancellor Willy Brandt appointed Helmut Schmidt, the German Defense Minister, as Minister of Economics and Finance to replace Karl Schiller following the latter's resignation.

July 10: British army reinforcements numbering 1,200 were ordered into Northern Ireland following the decision of the Provisional Wing of the IRA to end the cease-fire which it had ordered on June 26. British troops have now reached 17,000 in number.

July 17: The financial leaders of the six present and the four possible future members of the European Common Market met in London and agreed on eight basic objectives for the reform of the world's monetary system.

July 18: Generalissimo Francisco Franco promulgated a decree clarifying the succession procedure to be followed after his death. It would automatically promote Spain's vice president, Luis Carrero Blanco, to head of government unless Franco named someone else in the interval before his death. The Regency Council would assume temporary power and summon the Cortes within 8 days to swear in Prince Juan Carlos as King and Chief of State.

July 22: The six present and four projected member nations of the European Economic Community signed free industrial trade pacts with the five members of the European Free Trade Association not seeking EEC membership: Switzerland, Sweden,

Austria, Portugal, and Iceland. The key provision of the agreements, to go into effect January 1, 1973, was the reduction of tariffs by 20 percent annually from April 1, 1973, to July 1, 1977, when they would cease.

July 27: The British Government announced that an additional 4,000 British troops would be sent to Ulster to combat the Irish Republican Army. This reinforcement brought total British Army strength there to 21,000 troops.

August 9: Outgoing Dutch Premier Barend W. Biesheuvel announced that the ministers of four of the five parties of his former government would remain in office as a minority Cabinet until new general elections were held in late November.

September 1: Iceland claimed that its fishing limits would be extended from 12 to 50 nautical miles.

September 4: Kalevi Sorsa, Secretary of the Finnish Social Democratic Party and former Foreign Minister, was sworn in as Premier of a four-party coalition cabinet composed of the Social Democratic, Center, Liberal, and Swedish People's Parties. The coalition held a 107 to 93 majority in Parliament, succeeding the minority government of Rafael Paasio, which had resigned July 19.

September 14: West Germany and Poland agreed to establish diplomatic relations effective immediately and to open embassies in each other's capitals.

September 15: Spain and the Soviet Union signed a trade agreement calling for a substantial increase in trade and the establishment of commercial missions in Madrid and Moscow. The trade pact was seen as a first step toward normalization of relations between the two countries.

September 24: In a nationwide referendum, the Swiss electorate rejected a proposed constitutional amendment that would have banned all arms exports except to neutral European nations by a narrow margin of 593,205 to 584,726. Only 33.6 percent of the registered electorate voted. The Government had opposed a total ban.

September 24-25: In a nationwide referendum, 53.6 percent of the Norwegian electorate rejected entry into the European Community.

October 1: The European Human Rights Commission agreed to consider charges by the Irish Republic of alleged British brutality toward suspected terrorists detained or interned in Northern Ireland.

October 2: In a national referendum, 63.5 percent of the Danish electorate approved membership in the European Community.

October 5: Danish Social Democrat Anker Jorgensen was invested as Prime Minister, following the resignation of Jens Otto Krag on October 3.

- October 5:* During a 5-day visit to Paris by Edward Gierek the Polish Communist party leader, an economic agreement was signed between France and Poland which provided for \$300 million in French credit to Poland for the purchase of capital goods. France and Poland signed a 10-year treaty of "friendship and cooperation." The establishment of a joint planning commission was also announced.
- October 9:* The six foreign ministers of the European Economic Community gave tentative approval to EEC Commission proposals for the creation of a free trade area to link the Community with the nonmember Mediterranean countries by 1977.
- October 10:* The British Government proposed a major reshaping of the tax and welfare system that would result in a form of negative income tax for low-income families and pensioners.
- October 10:* Irish Republic Foreign Minister Patrick J. Hillery told the U.N. General Assembly that a permanent solution to the Northern Ireland crisis could be found only within the context of a united Ireland.
- October 11:* The appointment of Joseph A. Greenwald, head of the U.S. Mission to OECD, as ambassador to the European Economic Community was confirmed. He succeeded J. Robert Schaetzel, who retired.
- October 17:* In a report issued by the Canadian External Affairs Department, External Affairs Minister Mitchell W. Sharp recommended that Canada attempt to increase its independence from the United States while maintaining harmonious relations with it.
- October 18:* In Norway, a nonsocialist minority coalition, headed by Lars Korvald, leader of the Christian People's Party, assumed power, following the resignation of the Labor government of Trygve Bratteli, on October 7.
- October 21:* The leaders of the six existing and three future nations comprising the EEC, issued a communique at the end of a 2-day summit meeting in Paris, endorsing a tentative schedule for achieving economic, monetary, and some degree of political union by 1980.
- October 26:* At the end of a 3-day visit to Moscow, Italian Prime Minister Giulio Andreotti and Soviet Premier Kosygin signed an agreement pledging the two countries to hold twice-yearly consultations at the level of foreign ministers or their deputies.
- October 30:* The British Government published a Green Paper that promised greater powers for the Roman Catholic minority in any future Northern Ireland Government. The paper also pledged that Northern Ireland would remain within the United Kingdom for as long as it remained the wish of the majority of the people.

October 30: The results of the Federal elections in Canada gave 109 seats to the Liberal Party of Prime Minister Trudeau, 107 to the Conservatives, 31 to the New Democrats, and 15 to the Social Credit Party. On November 2, Prime Minister Trudeau announced his intention of remaining in power.

October 31: The six finance ministers of the EEC countries adopted a nonbinding, anti-inflationary program aimed at reducing price increases from an average of 6 percent annually to 4 percent, at the end of a 2-day meeting in Luxembourg.

November 1-14: At the 28th session of GATT (General Agreement on Tariffs and Trade), which was held in Geneva, the U.S. plan for a ministerial level meeting for September 1973 "to establish a trade negotiations committee" was approved.

November 6: William Whitelaw, British Secretary of State for Northern Ireland, appointed three legal commissioners to hear cases involving guerrilla suspects and to order their detention or release. He also appointed Sir Gordon Wilmer to preside over a detention appeals tribunal. The hearings would be held in secret, although the suspects could request legal defense. Catholic leaders saw this plan as another form of internment without trial rather than a replacement for internment.

November 6: British Prime Minister Edward Heath imposed an immediate 90-day freeze on wages and most prices, rents, and dividends.

November 19: West German Chancellor Willy Brandt's coalition won a margin of 48 seats in the Bundestag in the federal elections. The Social Democratic Party (SDP) won 45.9 percent of the vote and 230 seats. The Christian Democratic Union (CDU)/Christian Social Union (CSU) won 44.8 percent of the vote and 225 seats. The Free Democratic Party (FDP) won 8.4 percent of the vote and 41 seats. The National Democratic Party (NDP) won only .7 percent of the vote.

November 22: Multilateral preparatory talks designed to prepare the way for holding a European security conference opened in Helsinki. They were attended by 34 nations: 15 NATO members, 7 Warsaw Pact members, and 12 neutral and nonaligned states.

November 22: The 11-month-old Christian Socialist coalition government headed by Belgian Premier Gaston Eyskens resigned over the continuing language dispute between the Flemish- and French-speaking communities.

November 24: The 18th annual meeting of the North Atlantic Assembly ended after 6 days of deliberations. Delegates expressed concern over U.S.-U.S.S.R. bilateral relations and stressed the need to strengthen and coordinate European defense.

November 24: Finland extended diplomatic recognition to East Germany and to West Germany.

November 27: Canadian Prime Minister Pierre Elliott Trudeau announced the composition of his new Cabinet. Of the 30 ministers, 8 were new appointees, 10 members changed portfolios and 12 remained in their posts.

November 29: In the general elections held in Holland 26 parties competed for membership in the 150-seat lower House. The results showed gains for the left-wing parties at the expense of the center-right parties that formed the outgoing Cabinet coalition of Premier Biesheuvel. Biesheuvel's original five-party coalition fell from 82 seats to 76, reducing their majority in Parliament to one. The left-wing alliance, composed of four parties, raised its parliamentary representation to 56.

December 2: The Irish Dail (House of Representatives) approved a bill giving the Government vastly expanded powers to combat the illegal IRA. The anti-terrorism bill would admit as evidence the sworn "belief" of a senior police officer that a suspect was a member of an illegal group. It also provided that an individual's failure to deny a public report that he belonged to an illegal group would be admitted as evidence of his membership.

December 3: In a nationwide referendum, the Swiss electorate approved an industrial free trade pact with the EEC. The vote was 1,345,057 to 509,350, with 51.2 percent of the registered voters participating in the poll. All the major political parties, leading trade unions and industrial organizations supported ratification. Most of the opposition stemmed from the Communist party and from right-wing groups.

December 4: Donald Rumsfeld, Director of the Cost of Living Council, and former Director of the Office of Economic Opportunity, was named as U.S. Ambassador to NATO.

December 4: Norway submitted a memorandum to the EEC asking for a free trade agreement on industrial goods.

December 7: In a national referendum, the Irish electorate voted to abolish 2 sections of article 44 of the Irish Constitution which recognized the special position of the Roman Catholic Church in the Irish state.

December 7: Secretary of State Rogers, at a meeting of NATO Ministers held in Brussels, read a letter from President Nixon reiterating the U.S. pledge to maintain and improve U.S. forces in Europe and not reduce them unless there is reciprocal action by the Warsaw Pact.

December 8: A joint communique issued after NATO's ministerial meeting in Brussels expressed the hope that the preparatory talks for a European security conference would establish "guidelines necessary to enable such a conference to produce constructive and specific results." In a separate introductory paragraph, the communique referred to the West's desire that the conference produce a freer movement of people, ideas, and information.

December 16: Greek Premier George Papadopoulos announced the abolition of martial law in Thessaloniki. He said that martial law would remain in effect in Athens and Piraeus. He also barred a return to parliamentary government in the near future.

December 21: West Germany and East Germany signed a "Treaty on the basis of relations between the Federal Republic of Germany and the German Democratic Republic." The treaty, designed to normalize relations between the two States, stops short of full diplomatic recognition. The preamble notes differences between the two Germanys, notably on the national question. Some of the provisions, concerning practical improvements in communications, were to enter into effect immediately. Others would await ratification.

December 29: The United States has asked that Sweden not send a new Ambassador to Washington when the present Ambassador Hubert de Besche leaves his post on January 8, 1973. This decision was a reaction to a statement made by Swedish Prime Minister Palme comparing the bombing of North Vietnam to Nazi massacres of World War II. The U.S. Chargé d'Affaires was asked not to return to his post in Stockholm. There has been no U.S. Ambassador to Sweden since Jerome Holland's resignation in June 1972.

EASTERN EUROPE AND THE SOVIET UNION⁴

SUMMARY

The year 1972 saw a move toward détente with the West by Eastern Europe and the Soviet Union. Détente became a leading theme in international relations. Its current political significance was symbolized by the Soviet decision in May to proceed as planned with an invitation to President Nixon to visit the Soviet Union despite the President's announcement concerning the mining of Haiphong harbor and the bombing of North Vietnam. Mr. Nixon thus became the first American President to undertake a state visit to the U.S.S.R.

By its act of accommodation the Soviet Government seemed to indicate that nothing should be allowed to stand in the way of a relaxing of tensions with the West and all the political and economic benefits that were expected to result. The first tangible results of détente came with the conclusion of the United States-Soviet agreement to limit strategic nuclear weapons (SALT I), and with agreements for both science and technology exchanges and for environmental and medical exchanges, in May; and with the agreement between the United States and the Soviet Union on a long-term trade pact, and a maritime agreement, in October. Under the trade pact, the U.S.S.R. agreed to pay back its wartime debts, and the United States, subject to congressional approval, agreed to lower its tariffs and offer the Soviet Union other trading preferences. Earlier, on July 8, the two countries had concluded an agreement which would result in the biggest grain purchases from the United States ever made by the Soviet Union.

A month later 32 European countries plus the United States and Canada met in Helsinki to begin preparatory talks for the Soviet Union's long-desired European Security Conference. In turn, the Soviet Union showed its readiness to enter into the NATO-sponsored talks on mutual and balanced force reduction (MBFR) in Europe in 1973. Soviet and American cooperation thus reached a high point that had not been attained since the conference at Yalta in 1945.

In August, the Soviet Union imposed a steep schedule of exit visa fees that mainly affected Soviet Jews seeking to emigrate to Israel and other non-Communist countries. Congress reacted by linking approval of the United States-U.S.S.R. trade agreement, with its provision for most-favored-nation treatment, to the removal of this tax. The Soviet policy was relaxed somewhat toward the end of the year, when the U.S.S.R. announced its intention to grant important exemptions to various groups and to take into account the number of years a prospective emigre had worked.

Germany was the area most immediately affected by the new climate of détente. In November, the Federal Republic of Germany and the

⁴ Prepared by Samuel C. Oglesby, analyst in international relations.

German Democratic Republic reached an agreement on a treaty regulating their future relations. This agreement cleared the way for the full entry of both German states into the United Nations in 1973. The treaty followed the ratification of West Germany's earlier treaties with Poland and the Soviet Union, the conclusion of a four-power (United States, U.S.S.R., France, and Great Britain) agreement on Berlin, and the negotiation of a separate traffic treaty between the two German states. It also brought unprecedented travel prospects for East German citizens. No longer would pensioners be the only people to travel to the West. Now persons of all ages would be permitted to go to West Germany "for pressing family reasons." By the end of November nearly a million East Germans had visited West Germany and West Berlin. At the same time, West Germans could travel more freely into East Germany. In addition to creating a more relaxed climate between the two German states, these changes reflected a new climate of relaxation within East Germany itself which had begun in 1971 when Erich Honecker took over from Walter Ulbricht.

Another noteworthy development was the joint East German-Polish decision to abolish visas and passports for travel between those two countries. The decision produced an unprecedented travel explosion, with more than 6 million East Germans going to Poland during the year and 9 million Poles going to East Germany. Travel was subsequently curbed between the two countries, however. A similar arrangement was made for the travel of East Germans to Czechoslovakia but it was not reciprocal, a fact suggestive of difficulties within Czechoslovakia.

A further indication that Czechoslovakia faced political problems was the series of trials of 46 people during July and August. Most of those on trial were Communists, and some had been party officials. They were all charged with "subversion" on the grounds that they had taken part in the campaign to boycott the Czech elections in November 1971. The trials were seen by observers as a warning that resistance to the "normalization process" would not be tolerated.

In Hungary there was evidence of efforts to reform the country's economy which began with a general attack on "petty bourgeois" tendencies. A new system linking wages to profits had produced benefits for some people but disadvantages for others. This resulted in a consumer boom (particularly among the urban elites), social tensions, and much speculation. The reforms were aimed at correcting these developments. But with the visit of Soviet Party leader Leonid Brezhnev to Budapest in November-December, the reforms appeared to have been slowed down or stalled.

In October, Yugoslav President Tito forced the resignation of the Communist leadership of Serbia, the country's biggest republic. Angered by what he considered the growing materialism of the country's elite, the President decided that the culprit was "rotten liberalism." The purge in Serbia came only 10 months after a similar move in Croatia, the nation's second largest republic. There, President Tito had accused the local leadership of excessive nationalism. These upheavals seemed to indicate that what was really going on was a debate over the best ways to deal with the country's economic and social prob-

lems. These developments coincided with a major Soviet 10-year loan and a possible resumption of military aid from the U.S.S.R. The debate did not seem to affect Yugoslavia's continued independence in foreign affairs. Activities in this area included a visit by President Tito to Poland and the signing of a consular treaty and a commercial agreement by the two governments.

In a summer meeting in Russia between President Ceausescu and Secretary Brezhnev of the U.S.S.R., Romania agreed to expand economic relations with the latter. Nevertheless, Romania continued to try to maintain its posture of independence within the Soviet bloc. At the European Security Conference, it asserted its national independence vis-a-vis the U.S.S.R.

Romania joined the International Monetary Fund and the World Bank at the end of the year and generally moved toward increased economic relations with the West.

CHRONOLOGY

January 3: Poland and East Germany reached an agreement to abolish passports and visa requirements for travel between the two countries.

January 14: East Germany opened its borders for travel of its nationals to Czechoslovakia. (Czech nationals were not similarly permitted by their government to visit East Germany freely.)

January 14: Representative James H. Scheuer, a member of a congressional study mission, was ordered expelled by the Soviet Government for engaging in "improper activities."

January 17: Izvestia, the Soviet Government newspaper, accused members of an American congressional study group of subversive activities while touring the Soviet Union.

January 18: A U.S. Coast Guard icebreaker halted a Soviet fishing vessel attempting to flee with an American boarding party after it had been accused of fishing inside the 12-mile limit off Alaska.

February 11: The United States and the Soviet Union formally agreed to cooperate in research into cancer, heart disease, and environmental health. Initially, the plan would involve a mutual exchange of information.

February 15: The Soviet Government said that a U.S. decision to establish a naval base in Greece tended to aggravate tensions in Europe and might prompt a Soviet countermove in the Mediterranean. Tass announced that protests against the base agreement had been filed by the Soviet Ambassadors in Washington and Athens.

February 17: The State Department announced the Soviet Union had agreed to reopen talks within the next few months on settling its multimillion-dollar debt to the United States growing out of the lend-lease program during World War II.

February 25: A State Department official confirmed a Moscow report that President Nixon's visit to the Soviet Union would begin May 22 and last 5 to 7 days.

February 29: The Soviet Union made public new legislation that gives border guards additional powers to detain anyone found without permission in the country's border zones. Reportedly, the new law reinforces the authority of the Soviet intelligence and counterintelligence organizations, which controls the border force.

March 7: In his annual foreign policy report to Congress, Secretary of State Rogers said that although tensions between the United States and the Soviet Union had diminished, overall relations would remain strained until Moscow stopped trying to seek advantages by exploiting explosive situations abroad.

March 17: The Soviet Union announced a billion-dollar pollution-control program designed to clean up the entire drainage basin of the Volga and Ural Rivers. The program, the most-wide-ranging yet in the Soviet Union, would affect a third of the population.

March 19: An estimated 20 million Poles voted for a new Parliament, providing Edward Gierek, the Communist party leader, with the endorsement he needed to begin the last stage of his national reform program. It was the first major voting since the rioting in December 1970.

March 20: Leonid I. Brezhnev, the Soviet Communist Party leader, said that he hoped that the meetings with President Nixon in Moscow in May would help strengthen world peace. However, he also asserted that there would be no relaxation of the ideological struggle.

April 4: The Soviet Embassy in Stockholm said that it had refused to issue a visa to the Secretary of the Swedish Academy, who was to travel to Moscow to present Alexander Solzhenitsyn with the Nobel Prize for Literature for 1970. The refusal came a day after two American newspapers published accounts of a conversation with the author.

April 8: Secretary of Agriculture Earl L. Butz arrived in Moscow to open talks on long-term agricultural sales by the United States to the Soviet Union.

April 11: The United States and the Soviet Union signed a broadened 2-year cultural agreement that for the first time envisioned having American and Soviet lecturers give regular courses in each other's universities.

April 12: Secretary of Agriculture Earl L. Butz, the first American official to confer privately with Soviet party leader Brezhnev since 1964, predicted that American grain sales to the Soviet Union could reach \$200 million a year.

April 13: A Soviet delegation left for Washington to begin negotiations with the United States on settlement of the large Soviet debt remaining from the World War II lend-lease program.

April 21: Soviet and American negotiators announced in Moscow that they had reached an understanding on improving maritime shipping links between the countries, including access to ports and the carrying of cargo.

April 26: An administration source reportedly stated that Assistant to the President Henry Kissinger's secret trip to Moscow (April 20-24) had been personally initiated by Communist Party leader Brezhnev, to facilitate preparations for discussions during President Nixon's visit to Moscow in May.

May 11: The Soviet Union, in its official response to American moves to seal off North Vietnam, demanded an immediate end to the American "blockade." The statement did not indicate whether President Nixon's trip would be canceled.

May 19: Speaking to newsmen at a White House reception on the eve of his departure for the Soviet Union, President Nixon said that the main goal of his trip was to establish "a different relationship" between the two nations based on working "together rather than against each other."

May 20: President Nixon left Washington on the first leg of his trip to Moscow.

May 21: Pyotr Y. Shelest, a member of the ruling Soviet Politburo, who was known to oppose accommodation with the West, was demoted. Coming on the eve of President Nixon's arrival in Moscow, the demotion was reportedly an indication of sharp disagreement within the Soviet leadership.

May 21: Reliable sources reported that several thousand young people battled Soviet police and soldiers in the Lithuanian city of Kaunas last week in a riot that developed after a young Roman Catholic publicly burned himself to death "for political reasons."

May 21: En route to Moscow, President Nixon stopped at Salzburg for an hour's meeting with Austrian Chancellor Kreisky.

May 22: President Nixon arrived in Moscow for talks with Soviet leaders.

May 22-30: During and upon the completion of President Nixon's visit to the Soviet Union, the "Treaty on the Limitation of Anti-Ballistic Missile Systems" was signed; and, in addition to an "Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms," agreements between the United States and the Soviet Union were reached on: (1) cooperation in the field of environmental protection; (2) cooperation in the fields of medical research and public health; (3) cooperation in the exploration of outer space; (4) scientific and technical cooperation; (5) the prevention of incidents on the high seas and in the airspace above them; and (6) setting up a United States-Soviet Trade Commission. In addition, a joint United States-Soviet Declaration of Principles intended to mark a new, more stable and constructive era in Soviet-American relations, and a joint United States-Soviet communique, were signed.

May 28: President Nixon addressed the Soviet people in a 20-minute live telecast from the Kremlin. The President said the memory of the Soviet-American wartime alliance could serve as the inspiration for a renewal of cooperation between the two nations.

May 30-June 1: At the end of his 10-day visit to the Soviet Union, President Nixon visited Iran and Poland.

June 1: Before departing for Washington, President Nixon signed a joint communique with Polish Communist Party leader Gierek. The communique provided for the establishment of a joint economic commission to expand trade through increased contacts on governmental and business levels.

June 1: Soviet leaders formally approved the new Soviet-American agreements concerning arms limitation by publicly calling them triumphs of major significance that had altered the political climate of the world. However, disappointment was voiced that a trade agreement had not been worked out.

June 3: The foreign ministers of Britain, France, the United States, and the Soviet Union signed the final protocol of the Berlin agreement, bringing it into effect. The agreement was expected to result in a major improvement in the conditions of travel to and from the city.

June 3: West Germany's treaties of friendship with Poland and the Soviet Union took effect when instruments of ratification were deposited in Bonn.

June 5: President Tito of Yugoslavia was warmly welcomed in Moscow for his first state visit to the Soviet Union in 7 years. He received the Order of Lenin, one of the highest Soviet awards.

June 9: Aleksandr P. Lyashko, a 57-year-old former engineer, was appointed Premier of the Ukrainian Republic. Reportedly, this position was regarded as a stepping stone to the Soviet Politburo.

June 13: A comprehensive analysis of world armaments issued by the Stockholm International Peace Research Institute reported that apart from shipments relating to the Vietnam War, the Soviet Union had become the largest supplier of weapons to "third world" countries.

June 22: A bill of rights for the Soviet Union and extensive redirection of the country's economic and foreign policies were proposed by Andrei D. Sakharov, a Soviet nuclear physicist and outspoken critic of the treatment of dissidents.

June 23: President Tito of Yugoslavia ended a 4-day visit to Poland. The two Governments signed a consular treaty allowing Poland to open a consulate in Yugoslavia and a commercial agreement increasing the two nation's already considerable trade by 25 percent.

June 25: Under educational reforms announced by the Soviet Union, a larger number of Soviet high school students would be trained

for employment in industry and agriculture and less emphasis would be given by the Government to academic education. These plans were reportedly intended to make schools more responsive to the needs of Soviet society.

July 6: Secretary of State Rogers, visiting Romania, was understood to have assured President Nicolae Ceausescu that no United States-Soviet agreement would be made at the expense of small powers.

July 6: Secretary of State Rogers and Foreign Minister Manescu of Romania, signed a consular convention which had been under negotiation for 7 years. The aim of the agreement was to contribute to "the growth of normal travel and commercial contacts" between the two nations.

July 7: Continuing his visit to East European countries, Secretary of State Rogers met with Janos Kadar, the Hungarian Communist Party Chief. Rogers signed the first consular convention between the two countries. He also witnessed the signing of a scientific and technical cooperation agreement between the Hungarian Institute for Cultural Relations and the U.S. National Science Foundation.

July 8: President Nixon announced a trade agreement between the United States and the Soviet Union. The United States would extend credit to the Soviet Union for \$750 million worth of purchases of wheat, corn, and other grains over a 3-year period. The agreement was the biggest grain trade deal in the history of the two nations.

July 10: A White House official said that the Nixon administration had worked out a tentative formula to persuade the Soviet Union to pay World War II lend-lease debts in return for credits and for most-favored-nation tariff treatment.

July 11: At a meeting in Moscow, Cuba became the ninth member of COMECON, the economic organization of the Soviet bloc. Previously, Cuba had had only observer status.

July 17: President Nixon sent a delegation headed by Secretary of Commerce Peterson to Moscow with instructions to try to negotiate a comprehensive trade agreement with the Soviet Union.

July 18: A 5-year scientific and technological cooperation agreement between the Soviet Union and the Occidental Petroleum Corp. of Los Angeles was announced by Occidental chairman Armand Hammer. The accord, signed July 14, centered on exploration, production, and use of oil and natural gas. It also covered agricultural fertilizers and chemicals, metal treating, hotel design, and use of solid waste.

July 19: A subsidiary of the U.S. firm of Pullman, Inc., announced that it hoped to sell as much as \$400 million in foundry equipment to the Soviets for their giant Kama River truck plant. Pullman

disclosed that it had become the first American industrial firm to get official Soviet permission to open a Moscow office.

July 20: U.S. Secretary of Commerce Peterson arrived in Moscow for the first meeting of a new Joint Soviet-American Commercial Commission opening July 21.

August 10: In trials beginning on July 19, the Czech Government convicted a total of 46 persons for subversion. Defending the trials, Communist Party leader Gustav Husak said, "If anyone breaks the law he must bear the responsibility for it."

August 15: Jewish sources in Moscow reported that the Soviet Government was now imposing heavy exit fees of \$5,000 to \$25,000 on educated Jews wishing to emigrate to Israel.

September 14: Reportedly, according to a well-placed Soviet source, Assistant to the President Henry Kissinger and Soviet leaders made a breakthrough in negotiations expanding Soviet-American trade with an agreement in principle on the settlement of the Soviet Union's lend-lease debt. Repayment of the debt, estimated at \$500 million, would be spread over 30 years.

September 14: The White House said it expected the signing of a comprehensive trade agreement with the Soviet Union before the end of the year, possibly within weeks. Opposition appeared to be growing in Congress against any economic concessions to the Soviet Union requiring legislative approval as long as Moscow maintained its high exit taxes on Jews wishing to emigrate.

September 21: The United States and the Soviet Union agreed to undertake 36 joint projects on environmental protection for the cities, farms, rivers, lakes, and air of both countries. The announcement was made at the end of a 3-day meeting in Moscow of the new Joint Committee on Cooperation in the Field of Environmental Protection.

September 21: Romania applied for membership in the International Monetary Fund and the World Bank—the first Soviet bloc country to seek membership in the Western World's financial network.

September 26: It was reported that monetary specialists saw the possibility that over the next few years the Communist countries might join a reform world monetary system.

September 27: Foreign Minister Andrei Gromyko said that the Soviet Union opposed acts of terrorism that "serve no positive ends and cause loss of human life." Speaking in the United Nations, he singled out the Palestinian guerrillas for special mention, condemning specifically their actions at the Munich Olympic Games.

September 27: NATO agreed to press the Soviet Union for assurances that it was prepared for substantive exploratory discussions on reducing forces in central Europe.

September 30: The Singer Sewing Machine Co., which had lost millions of dollars in Russia during the revolution, announced that it was opening operations in Communist Europe.

October 2: East Germany agreed to ease procedures for West Berliners to cross the East German Wall dividing Berlin.

October 3: President Nixon invited Foreign Minister Andrei Gromyko to Camp David to spend the night. The invitation followed a White House conference at which the two officials discussed a Soviet-American trade agreement, now being negotiated, and other issues.

October 3: The United States and the Soviet Union signed documents putting into effect the two agreements on limiting strategic arms reached in Moscow in May.

October 9: Despite some of the worst crop weather in 100 years, the Soviet Union reportedly appeared to have laid in enough grain to supply domestic needs and fulfill export requirements. This accomplishment was said to be due to an all-out mobilization of men and equipment at home and astute shopping abroad—including in the United States.

October 11: It was reported that the Catholic leader John Cardinal Krol received a warm emotional reception in Warsaw. In 1966, he had been refused a visa to attend the Polish church's millenium celebrations.

October 12: The United States objected that a proposed Soviet treaty to regulate television broadcasts from satellites ran counter to America's belief in free information. The resulting clash in the United Nations over this issue reflected the importance that both countries attached to statellite broadcasts.

October 14: The Nixon administration disclosed that the United States had reneged on a tentative maritime agreement with the Soviet Union 2 weeks previously when it had been discovered that the terms of the pact would allow the Soviet Union to pay American shippers less than the going rate for transporting Soviet grain purchases.

October 14: The United States and the Soviet Union signed a maritime agreement which called for the latter to pay American ship owners premium rates for transporting grain purchases. The agreement also provided for loading of merchant vessels at east coast and Gulf ports. This was the first such arrangement since 1913.

October 17: West Germany and East Germany exchanged notes of ratification of a traffic treaty designed to increase greatly the movement of people between the two states.

October 18: Poland agreed to work out a plan for settling about \$41 million in Polish bonds held in the United States dating from the 1920's. The security holders (at least 10,000—many of them

Polish-Americans) would receive interest at a lower rate than originally stipulated pending a settlement accord.

October 18: Corneliu Manescu was "released" from his post as Romania's Foreign Minister and was replaced by George Macovescu. He will be assigned to "other duties."

October 18: The United States and the Soviet Union signed separate agreements calling for Russian repayment of \$722 million in lend-lease debts, providing extension of credits to the Soviet Union for purchase of American goods, and most-favored-nation tariff treatment. The agreement faced trouble in Congress where 76 Senators introduced an amendment that would block the accords if the Soviet Union did not remove the controversial emigration tax.

October 19: The Soviet Union waived the stiff exit fees for 19 families seeking to emigrate to Israel. This action represented a dramatic reversal of Soviet policy, since at least six of the families had been told earlier that they would have to raise the equivalent of \$195,000.

October 20: The Soviet Union signed a \$68 million contract to buy tractors and pipe-laying equipment from the Caterpillar Tractor Co. The machinery was to be used to build pipelines to transport natural gas within the Soviet Union and to countries in Europe.

October 21: Top Serbian party leaders resigned after a policy dispute with President Tito.

October 24: It was reported that a mass circulation Soviet weekly denounced Senator McGovern a second time for linking the Soviet emigration tax to the prospects of United States-U.S.S.R. trade.

October 27: Premier Kosygin expressed hope that further Vietnam negotiations would be held and that they would lead to an agreement ending the war.

November 4: President Nixon made Export-Import Bank credits available to Poland. This long-sought assistance was said to be in the range of \$150 million.

November 5: Negotiations were completed between West Germany and East Germany on a basic treaty defining their relationship. The negotiations represented a compromise with regard to Germany as a single German nation despite its postwar division into two states. The draft treaty took note of the differing views on the German national question between the two states but declared that both sides "proceed from the real situation in Germany."

November 6: The United States, Britain, France, and the Soviet Union reportedly agreed on a formula reaffirming four-power rights and responsibilities for divided Germany. The move by the Big Four meant that they had decided to keep the question of German reunification open while agreeing on a temporary settlement among themselves.

November 10: The United States, Britain, France, and the Soviet Union announced in a joint declaration made public in Washington that they would support applications for membership in the United Nations by both East Germany and West Germany.

November 14: Leonid I. Brezhnev, the Communist Party leader, asked the United States to "remove the obstacles created by the American side on the eve of signing" a Vietnam cease-fire agreement.

November 15: James Needham, chairman of the board of the New York Stock Exchange, announced plans for 1973 to discuss means of financing Soviet-American trade. In a joint statement, Mr. Needham and officials of Soviet banks described their first round of talks in Moscow as "very friendly and very informative in establishing a concrete base for future discussions" which would bring the United States and Soviet trade relations to the fore.

November 17: An invitation to meet on January 31, 1973, for the start of exploratory talks aimed at reducing military forces in central Europe was sent to the Soviet Union and some of its bloc partners by the United States and several European allies.

November 21: Pepsico announced an agreement with the Soviet Ministry of Trade to begin marketing Pepsi-Cola in the Soviet Union in 1973. Thus, Pepsi-Cola would become the first American consumer product manufactured and sold in the Soviet Union.

November 22: Multilateral preparatory talks designed to prepare the way for holding a European security conference opened in Helsinki. They were attended by 34 nations—NATO and Warsaw Pact members and 1 neutral or nonaligned states.

November 22: East German Communist leader Erich Honecker declared today that "history has made the decision" in favor of two separate German states rather than a united one, and that the Berlin Wall must be regarded as an "existing reality." He also mentioned that his Government had contacted Washington on the subject of exchanging diplomatic recognition.

November 23: The United States and the Soviet Union, after a week of negotiations, agreed on a sliding scale of charter rates that the Soviet Union would pay American shippers for the transport of grain bought in the United States.

November 24: On a procedural point at the first working session of preparatory talks for a European security conference, Romania created a deadlock and highlighted a feeling evident even before the consultations began that the smaller nations would assert their independence and were not going to be "stifled" at the talks.

November 30: East Germany participated in a trade conference sponsored by the United Nations. Although not a member of the United Nations, East Germany was admitted to the UNESCO on November 21, 1972. (Under U.N. rules, any member of one of its specialized agencies may participate in any conferences sponsored by the world body.)

December 1: Leonid Brezhnev completed a 5-day visit to Hungary and talks with Communist Party Secretary Janos Kadar.

December 2: A three-man congressional delegation headed by Senator Humphrey was reportedly rebuffed in Moscow by Premier Kosygin on the subject of the Soviet emigration tax. "This is an internal matter," the Soviet premier was quoted as saying.

December 11: Western diplomats in Moscow reported that Chinese intruders killed five Soviet soldiers last month along the Sino-Soviet border. This was the first report of a border clash since 1969.

December 11: Soviet secret police were reported to be waging a determined campaign of repression against the domestic dissident movement, including Ukrainian nationalists, that had left dissenters feeling weaker and more on the defensive than at any time since the mid-60's. More than 100 persons had been arrested in the Ukraine and at least a dozen given stiff prison sentences on charges of anti-Soviet activity.

December 12: The Soviet Union's rate of economic growth was the lowest in a decade, according to Premier Kosygin, whose statistical report put the 1972 figure at 2 percent—the planned growth rate had been 6 percent. The drop reflected the impact of this year's grain crop failures. The 2 percent rate was the lowest since the catastrophic crop year of 1963. To make up for the decline in 1972, Kosygin said the economic plan for 1973 had been revised upward.

December 19: The Soviet leadership announced a modification of the economic program at the expense of the consumer after a serious crop failure in 1972. An economic plan for 1973, presented to the Supreme Soviet, called for a cutback in the rate of growth of consumer goods production, reversing a trend of recent years.

December 20: Prime Minister Whitlam of Australia said that his country had opened negotiations with East Germany aimed at establishing diplomatic relations.

December 22: East Germany and West Germany signed a treaty formally ending their mutual enmity. The pact, which was not scheduled to take effect before April 1973, called for additional border crossings to facilitate daily visits to East German border areas by 6.5 million West Germans who lived along the frontier.

December 22: The United States and the Soviet Union established a joint four-man consultative commission to supervise the observation of their agreement to limit strategic armaments.

December 30: The Soviet Union announced that Soviet authorities were prepared to waive the education tax for pensioners who wanted to emigrate and to reduce the taxes for others on a sliding scale, depending on the number of years they had worked after completing school.

NORTHEAST ASIA⁵

SUMMARY

President Nixon's trip to China in late February set the tone and the pace for the year 1972 in Northeast Asia. Indeed, many of the region's most important events appeared to have followed in its wake. Asian countries hurried to adjust their policies to the new international realities by revamping external relationships and realigning internal power structures. Another prod to action by the Northeast Asian states, and a ubiquitous and pervasive backdrop for inter-Asian affairs, was the withdrawal of American ground forces from Southeast Asia coupled with the continuing aid and naval operations in that theatre.

The People's Republic of China

The joint United States-Chinese communique, issued on February 27 at Shanghai, expressed the agreement of the two nations that normalization of their relations was in the best interest of all countries and that countries should conduct their relations "on the principles of respect for the sovereignty and territorial integrity of all states, non-aggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence." The issue of Taiwan was shunted aside, at least temporarily, and the importance of the Vietnam issue to Sino-American relations was carefully played down. Nonetheless, the United States and China remained indirect antagonists in Vietnam and were unable to resolve the differences of their respective charges and allies.

Although official United States-Chinese relations apparently did not advance much beyond the Shanghai communique, actions in the public realm occurred throughout the year which reflected the new relationship: American Congressmen, businessmen, scholars, doctors, and newsmen traveled to China, and Chinese table-tennis players, acrobats, doctors, and newsmen came to America; commercial trade was resumed on a limited scale; and less antagonism was seen in the United States and Chinese press. An ever-increasing number of nations chose to establish diplomatic relations with Peking rather than continue to recognize Taiwan as China. Japan took the step in September after the newly elected Prime Minister, Kakuei Tanaka, had consulted with President Nixon in Hawaii (though Japan continued to maintain strong business ties with Taiwan); in October, West Germany established relations with the People's Republic of China, leaving the United States as the only major world power standing by Taiwan;

⁵ Prepared by Robert D. Shuey, analyst in Asian affairs.

and in December, the new labor governments of Australia and New Zealand transferred their diplomatic ties to Peking.

Relations between China and the Soviet Union remained cool and perhaps even worsened during the year. As the U.S.S.R. and China each improved its relations with the United States and Japan, and as each continued supporting North Vietnam, competition between the two Communist giants seemed to grow. Their border dispute remained unresolved, and during the year the Soviets added approximately 5 combat divisions to the border area, bringing their strength there to 49 divisions.

China was believed to be continuing its rapid progress in nuclear weaponry and missile technology. Though its nuclear delivery systems were not yet sufficient to be considered a deterrent to Soviet or American attack, they were steadily being improved and China's approach toward a credible strategic nuclear capability made its relations with the Soviet Union grow more tense.

Japan

Japan continued to grow in importance and took significant steps in its foreign relations. Outgoing Prime Minister Sato and newly elected Prime Minister Tanaka each met with President Nixon and charted paths of cooperation in their respective countries' policies on foreign affairs, trade, international finance, defense, and regional development. Japan took steps to control its rate of exports to the United States and to encourage imports in order to ease the trade imbalance, which continued to be a serious problem in United States-Japan relations. In May, the Ryukyu Islands were transferred from American to Japanese control, though U.S. bases remained in Okinawa.

The Japanese and Soviet foreign ministers exchanged visits and initiated talks for the conclusion of a peace treaty. Japan also extended feelers toward North Korea in the form of increased trade contacts, pledged its participation in postwar reconstruction of Vietnam, and approved a new and bigger 5-year defense buildup program.

On the Japanese internal scene, Prime Minister Tanaka was elected to office in July on a domestic platform of controlled economic growth, social reform, increased consumer goods, and urban improvements. In the national election, the Socialists and Communists made substantial gains in the legislature.

North Korea-South Korea

After 27 years of separation and mutual antagonism, official representatives of North and South Korea met for the first time in bilateral talks to reduce tensions and seek reunification. In a July communique, both pledged to refrain from military provocations and slanderous propaganda. Soon thereafter, a hotline was established between the two capitals and a north-south coordinating committee was formed. Concurrently, South Korea endured a brief period of martial law and then adopted a new constitution which gave President Park increased powers and made it possible for him to rule indefinitely.

The Republic of China

Taiwan found itself increasingly isolated from other nations and international organizations. However, the island nation continued its economic growth and appeared uncrippled by its new world position. Chiang Ching-kuo, son of Chiang Kai-shek, became Premier and allowed more participation in the Government by native Taiwanese.

CHRONOLOGY

January 2: The 200,000-member Presbyterian Church of Taiwan called on the Chiang Kai-shek Government to hold parliamentary elections. General elections had not been held for 25 years.

January 6: Chinese Politburo member and Deputy Premier and Foreign Minister Chen Yi died of cancer at the age of 71. One of the foremost members of the Chinese Communist Party almost since its founding in 1921, he was accused of being a rightist during the 1966-69 Cultural Revolution and had dropped into obscurity prior to his death.

January 7: President Nixon and Japanese Premier Eisaku Sato issued a joint statement at the close of their 2-day meeting in San Clemente, Calif., announcing that Okinawa would revert to Japan in May and that nuclear weapons would be withdrawn from the island prior to that date.

January 10: Diplomats in Peking reported that the decisions of India and North Vietnam to exchange ambassadors would not be received with enthusiasm by Chinese leaders in view of the strained relations between Peking and New Delhi.

January 10: North Korean Premier Kim Il-song said in an interview with two Japanese correspondents that he would propose a peace pact between North and South Korea, but before it could be effective U.S. forces would have to leave Korea.

January 11: South Korean President Park Chung Hee, expressing concern over President Nixon's upcoming China visit, said in a news conference that South Korea would not accept any decision on the Korean question made without his participation. He rejected the idea of relying on a four-power guarantee against war in Korea as "unrealistic and dangerous," and called for a more self-reliant defense posture.

January 12: The Japanese Cabinet approved a budget for 1972 characterized by increased defense spending and a pump-priming public works program. Defense expenditures were authorized for \$2.58 billion, a 19.6 percent increase from 1971, reflecting inflation and new outlays for military installations and forces on Okinawa.

January 15: Communist Chinese anti-aircraft fire in northern Laos was believed responsible for damage to four U.S. planes searching for an Air America C-123 which vanished on December 27, 1971.

January 19: Japanese Trade Ministry sources said that during talks with members of the Japanese Coordinating Committee for Export to the Communist Area in February, Japan would seek a relaxation of restrictions on its exports to China. The Ministry proposed the removal from the list of 60 of the 167 items banned as strategic.

January 20: Chi Peng-fei was appointed as Foreign Minister of the People's Republic of China, replacing the late Chen Yi.

January 22: A bipartisan group of Japanese legislators, known as the Parliamentary League for Promotion of Friendly Relations with North Korea, signed a private trade agreement with North Korea in Pyongyang. It was reported, however, that the Japanese Government would not honor the agreement.

January 24: In the first high-level Japanese-Soviet talks held in 5 years, Soviet Foreign Minister Gromyko promised to release 14 imprisoned Japanese fishermen. Foreign Minister Fukuda pressed for the return of the Soviet-held Southern Kurile Islands. Exchange of visits by the Prime Ministers of the two countries was agreed to "in principle"; annual foreign ministry consultations were set; and a cultural exchange agreement was advanced.

January 26: The Executive Board of the World Health Organization decided to invite Communist China to its annual conference in May at Geneva. It also passed a resolution recommending that the membership at large recognize Peking as the only government having the right to represent China in the Organization.

January 29: Four days after President Nixon's latest Indochina peace proposal, the Chinese press called it preposterous, said that Mr. Nixon should never expect Hanoi and the Vietcong to accept it, and declared that the only way to end the war was to accept the Vietcong proposals.

January 29: The Prime Minister and Foreign Minister of Japan said at the opening of Parliament that frank government-to-government talks with Chinese leaders were an urgent necessity. Relations with the United States were said to be more important than those with any other country. Taiwan was not mentioned.

January 31: Department of Defense officials stated that Communist China had deployed a handful of intermediate-range ballistic missiles with storable liquid propellant.

February 1: The first commercial American aircraft to fly into China in more than 20 years landed with broadcasting crews for coverage of President Nixon's trip later in the month. Two Air Force transports also arrived with a small ground satellite station for relaying broadcast coverage. A larger permanent earth station was scheduled to be sold to China and erected in Shanghai in time for live coverage of President Nixon's trip there.

February 2: At the end of President Zulfikar Ali Bhutto's 3-day trip to Peking (January 31-February 2), it was announced that China

had granted increased economic aid to Pakistan, converting \$110 million in previous loans into grants and deferring payments on another loan. New military aid was also indicated as a possibility. Peking expressed displeasure with the splitting of Pakistan.

February 4: Two North Korean patrol boats attempted to seize three South Korean fishing boats. Several fishermen were wounded and one boat was unaccounted for. The South Korean Navy rescued two of the boats.

February 8: It was announced that Communist China had received two four-engine, 186-passenger, long-range IL-62 jet planes two months ago. With these two planes and three more on order, and 10 Tridents which China is receiving from Britain, China will begin her first European air service this year.

February 10: Two officials from the Japanese Foreign Ministry traveled to Hanoi at the invitation of the North Vietnamese Chamber of Commerce. This was the first official Japanese mission to North Vietnam since the end of World War II.

February 14: President Nixon further relaxed U.S. restrictions on trade with Communist China. According to Ronald Ziegler, White House press secretary, the move put China on a par with the Soviet Union in the range of goods and commodities it could purchase from the United States without special permission.

February 16: Admiral Moorer, Chairman of the Joint Chiefs of Staff, told Congress that Communist China had launched "a most impressive research and development effort—some elements of which have already reached the production stage—to establish itself as perhaps the third most important nuclear power in the world."

February 17: President and Mrs. Nixon took off from Andrews Air Force Base at 10:36 a.m. for Hawaii on the first leg of their trip to China. They landed in Hawaii at 8:27 p.m. (East Coast time) to begin a 2-day stopover. An official party of 13 senior advisers and aides was aboard the presidential jetliner. About 300 other Americans either preceded or traveled with the official party.

February 19: President and Mrs. Nixon took off from Kaneohe Marine Corps Air Station in Hawaii, for the International Airport at Agana, Guam. The President and his party left Guam the next morning, February 21 (one day was lost crossing the international dateline), for Shanghai.

February 19: China and Ceylon renewed their barter arrangement for 1 more year, with China exchanging rubber for rice.

February 21: President and Mrs. Nixon landed at Shanghai's Hung Chiao Airport just before 9 a.m. (8 p.m., February 20, e.s.t.). After a 1-hour stay, the party proceeded to Peking in the President's aircraft with a Chinese navigator.

February 21: The President's plane landed in Peking at about 11:30 a.m. (10:30 p.m., February 20, e.s.t.). Premier Chou En-lai led the reception committee at the capital airport. Four hours later

President Nixon visited Mao Tse-tung at the Chairman's residence inside the walled Forbidden City.

February 23: An official North Korean newspaper, the Nodong Sinmun, quoted Premier Kim Il-song as saying: "We call for north-south political negotiations to strengthen contacts and ties between the north and south and solve the question of national reunification."

February 24: A Peking broadcast disclosed that Tung Pi-wu was the Acting President or Chief of State, a position that had been vacant since Liu Shao-chi was purged in 1968.

February 24: Japan announced its official recognition of Outer Mongolia.

February 24: The Soviet Union invited Japan to send a survey team to the Tyumen oil fields. Japan had insisted on such a mission prior to the extension of financial credits for a 4,400-mile trans-Siberian pipeline. Moscow was seeking \$1 billion in Japanese credits, which it planned to repay in 25 to 40 million tons of oil a year from 1978 to 1998.

February 26: The Japanese Parliament ended a 20-day dispute over the 1972 defense budget with a compromise. The budget, presented January 29, provided for a 19.7 percent increase in military spending, raising it to \$2.6 billion. The compromise removed \$9 million for new aircraft from the proposed figure.

February 27: President Nixon left Shanghai the evening of 27 February e.s.t. (the morning of February 28 Shanghai time). An official communique was issued which stated that normalization of relations between the United States and China was in the interest of all nations, both wished to avoid war, neither should seek hegemony in Asia, and neither would negotiate on behalf of or against any third nation. President Nixon pledged to ultimately withdraw all troops from Taiwan.

February 28: Japanese Prime Minister Sato stated that the People's Republic of China had a territorial right and authority over the island of Taiwan. The Japanese Government on March 5 outlined its position as one of understanding Peking's claim to Taiwan. Japan, the Government said, would try to normalize relations with China on the basis of this understanding; however, Japan believed it had no say in the legality of Taiwan claims.

February 28: Marshall Green, Assistant Secretary of State for East Asian Affairs, arrived in Tokyo on the first stop of his tour of Asian capitals to brief officials on President Nixon's visit to China. Green subsequently visited South Korea, Taiwan, South Vietnam, the Philippines, Indonesia, Singapore, Malaysia, Thailand, Australia, and New Zealand.

February 29: Administration officials confirmed that Communist China had agreed to allow American businessmen to attend the Canton Trade Fair in April 1972.

February 29: The Japanese cabinet decided to permit the Export-Import Bank to finance plant equipment exports to China whenever such credits were requested by Peking. On March 3, Minister of International Trade and Industry Tanaka declared that the "Yoshida letter" (written in 1964 by former Prime Minister Shigeru Yoshida to a Taiwan Government official) was null and void. The letter banned the use of credits to finance Japanese plant equipment exports to mainland China.

March 1: The United Nations reported that the People's Republic of China had paid half of its 1972 U.N. assessment (\$3 million of \$7.1 million) but had refused to pay \$345,000 for items it considered violations of the U.N. Charter or as hostile to the Chinese people.

March 2: The State Department announced that the U.S. commitment to Taiwan was not, and never had been, in question. The Chinese Nationalist Ambassador said he had been briefed by Secretary Rogers and assured that the United States remained committed to the 1954 defense treaty with Taiwan.

March 6: Kim Byong-sik, first vice chairman of the General Association of Korean Residents in Japan and considered a spokesman for the North Korean Government, said that a withdrawal of American forces from Korea need not precede "expanded relations and an end to our confrontation with the United States."

March 13: The United States and Chinese Ambassadors to France held their first meeting at the Chinese People's Republic Embassy to initiate talks designed to further trade, travel, and cultural exchanges.

March 13: The People's Republic of China and the United Kingdom signed an agreement to raise diplomatic relations to the ambassadorial level and to close British consulates on Taiwan. Britain recognized the People's Republic of China as the sole legal government of China "acknowledging the position of the Chinese Government that Taiwan is a province of the People's Republic of China."

March 21: The Sino-Soviet Joint Commission for Navigation on Boundary Rivers held its 17th regular meeting from December 6, 1971, to March 21, 1972, in the Soviet Union. No agreement was reached on the questions discussed.

March 22: Japanese Finance Minister Mikio Mizuta said that Japan planned to cut off future trade credits to Taiwan after present agreements came to an end because of the delicate relations between Japan and the People's Republic of China. China had insisted that Japan sever relations with Taiwan before it would agree to the establishment of diplomatic relations with Tokyo.

March 22: Chiang Kai-shek was elected to a fifth 6-year term as President of Nationalist China by the National Assembly.

March 25: Foreign Minister Takeo Fukuda said that Japan would be willing to sign a nonaggression agreement with China when relations are normalized between the two countries. He stated: "We will do it on the premise the no-war agreement with the Chinese would go along with the security treaty Japan maintains with the United States."

March 29: Hsieh Fu-chih, Chairman of the Peking Communist Party Committee and previously a Vice Premier and Minister of Public Security of the People's Republic of China, died at age 74.

April 5: Tang Ming-chao was appointed Under Secretary General for Political Affairs and Decolonization, thus becoming the highest-ranking official of the People's Republic of China in the U.N. Secretariat.

April 11: White House sources announced that Assistant to the President Henry Kissinger had decided to postpone scheduled trip to Japan until early May in order to keep close watch on the Vietnam situation.

April 12: The Communist Chinese table tennis team arrived in Detroit for a 5-week tour of the United States. On April 18, the delegation visited the White House and met President Nixon.

April 16: The Canton Trade Fair opened for a 4-week, semiannual session. At least 15 American firms were represented at the fair.

April 20: Japanese Foreign Minister Takeo Fukuda said that Japan would grant permission for American bases on Okinawa to be used for direct military operations in Vietnam "only under circumstances of extreme gravity."

April 25: The Japanese Government decided to send a patrol boat to the waters off the Senkaku Islands to keep foreign ships from violating Japanese waters, thereby emphasizing that the islands were Japanese territories.

May 1: The May Day celebration in Peking was much more subdued than usual, with no mention of the United States and no plays or dances depicting the Vietnamese fighting Americans. Mao and other important officials did not appear at the celebration as they had usually done.

May 2: Government officials stated that Communist China refused a Soviet request to allow 12 freighters carrying military equipment for North Vietnam to unload the equipment at Chinese ports. However, China reportedly agreed to a large increase in rail shipments from the Soviet bloc through China to get war supplies to North Vietnam that could not be shipped there because of American mining of North Vietnam's ports.

May 6: Japan and seven European countries agreed to limit their steel exports to the United States. Under the agreement, which covered 1971-74 shipments, those countries would limit the annual increase of such exports to 2½ percent.

May 9: The Foreign Ministry of the Republic of China announced strong opposition to "the transfer by the United States to Japan of the Tiaoyutai (Senkaku) Islands on May 15," claiming the islands were part of the Republic of China's territory. The Ministry also protested the unilateral transfer of the Liuchiu (Ryukyu) Islands, in which the Tiaoyutai Islands were included, on the grounds that World War II agreements called for consultations among the major allied powers on such issues.

May 9: Communist China charged that U.S. ships and planes had attacked two Chinese freighters anchored off Hon Ngu Island. The ships were reported to have been badly damaged and crewmen were wounded. Defense Department spokesmen said they were unaware of the alleged attack.

May 10: The World Health Assembly voted Peking into the World Health Organization and expelled Taiwan.

May 15: The Ryukyu and Daito Islands, commonly referred to as the Okinawa chain, were returned from American to Japanese control, though U.S. bases remained.

May 20: Chiang Ching-kuo, son of Chiang Kai-shek, was named Premier of the Republic of China. On May 29, he appointed a new cabinet that included six native Taiwanese and only three carry-overs from the previous government. He also appointed the first Taiwanese governor of the island.

May 31: A State Department spokesman said conditions set by North Korean Premier Kim Il-sung for normalization of North Korean-South Korean relations were "manifestly unacceptable." The requirement for the withdrawal of American troops from Korea, set forth by Kim and reported in a private interview with the New York Times on May 31, was cited as one of the unacceptable conditions.

June 10-12: Assistant to the President Henry A. Kissinger conducted talks with government leaders, politicians, and industrialists in Japan.

June 19-23: Assistant to the President Henry Kissinger visited the People's Republic of China to further the normalization of relations between the United States and the People's Republic of China, and to exchange views on issues of common interest.

June 28: The People's Republic of China and North Vietnam signed a supplementary economic and military aid agreement for 1972.

June 30: The Sony Corp. claimed that TV cameras which it produced were being used to guide bombs dropped by U.S. aircraft over North Vietnam. The company protested the use of its products in the conduct of war.

July 4: North and South Korea issued a joint communique after having held secret talks in Pyongyang and Seoul. They agreed to seek unification of Korea by peaceful means without outside interfer-

ence. They also agreed to refrain from military provocations and from slandering each other, and they set up a hotline between the two countries to prevent the outbreak of fighting.

July 5: Kakuei Tanaka was elected president of Japan's ruling Liberal Democratic Party.

July 6: Kakuei Tanaka was chosen to become Japan's new Prime Minister, replacing Eisaku Sato, who retired.

July 6: The Department of Commerce granted a U.S. export license for the Boeing Co. to sell \$150 million in commercial jets to China.

August 17: The World Opium Survey, prepared by the Cabinet Committee on International Narcotics Control and released by the State Department, stated that there was no reliable evidence that China participated in opium trade. Hong Kong, however, was identified as a major processing and transit point.

August 29: A delegation from the Republic of Korea Red Cross traveled to Pyongyang, Democratic People's Republic of Korea, for a 5-day conference attempting to reestablish contact between families with members in both South and North Korea.

August 29: United Press International and Hsinhua, the People's Republic of China press agency, concluded an agreement to exchange news and pictures.

August 30: The Red Cross delegations of North and South Korea signed a document in Pyongyang calling for efforts "to dissolve the agonies of the families dispersed in the North and the South and thus lay a stepping stone for unification of the fatherland."

September 1: President Nixon and Prime Minister Kakuei Tanaka of Japan concluded a 2-day conference in Hawaii. Both reaffirmed their support of the United States-Japanese treaty of mutual cooperation and security and discussed the situations in Vietnam and in Korea, Japanese relations with Communist China, and the imbalance of United States-Japanese trade. Tanaka said he would try to reduce the imbalance, but no schedule was set. The United States reportedly asked Japan to support efforts to maintain Taiwan's membership in international financial organizations.

September 14: The People's Republic of China purchased 400,000 to 500,000 tons of American wheat through the French company, Societe Anonyme Louis Dreyfus et Cie.

September 15: Republic of Korea officials announced that South Korea would not begin the withdrawal of its 37,000 troops from Vietnam in December 1972, as had been announced the previous week. They also announced that the United States had pledged to keep American ground combat troops in Korea at least until mid-1973.

- September 29:* The People's Republic of China and Japan signed a joint communique establishing diplomatic relations at the conclusion of Premier Tanaka's visit to China. The countries pledged their efforts toward accords in aviation, commerce, navigation, personnel exchanges, meteorological observation, fisheries, and mail.
- September 30:* Japanese Prime Minister Kakuei Tanaka stated that there is no conflict between the United States-Japanese mutual defense treaty and the recently signed Sino-Japanese agreement because none of the countries concerned threaten peace. He stated that a military confrontation over Taiwan is unthinkable.
- October 10:* The Japanese Cabinet approved a new 5-year defense buildup program which provided defense spendings of \$16.5 billion, more than twice the amount for the last plan. The new plan would allow the purchase of new tanks, armored cars, ships, and aircraft; and increases in Ground Self-Defense Force strength, research and development, and training.
- October 11:* West Germany and the People's Republic of China established diplomatic relations, thus leaving the United States the only major power recognizing the Republic of China rather than the People's Republic of China.
- October 12:* North and South Korea convened the first session of the North-South Coordinating Committee in Panmunjom. The committee, formed in July, was to improve relations between the two countries and seek eventual reunification. This meeting marked the first formal bilateral conference between the two governments since partition of Korea in 1945.
- October 17:* South Korean President Park Chung Hee proclaimed martial law, suspended parts of the Constitution, dissolved the National Assembly, and closed all colleges. He explained the move by stating that South Korea must be strengthened to enable it to deal with the changing international situation and to successfully continue its negotiations with North Korea.
- October 24:* Japanese Foreign Minister Masayoshi Ohira concluded a 4-day trip to the Soviet Union during which talks were begun on the conclusion of a "treaty of peace and friendship" between the two countries.
- October 30:* North Korea announced that a new Constitution had been drafted to prepare for the reunification of the peninsula. North Korean sources explained that the new Constitution claimed jurisdiction only over the northern part of Korea, and showed that North Korea has no intention of imposing its political and economic systems on the South.
- November 1:* Japanese Foreign Minister Masayoshi Ohira told a South Vietnamese official that Japan would contribute heavily to postwar economic reconstruction in Indochina. Japanese officials said that Japan might contribute as much as one-third of the costs

of reconstruction in South Vietnam, North Vietnam, Cambodia, and Laos. They indicated a desire to deal through an organization such as the Asian Development Bank rather than becoming directly involved in Indochina.

November 4: The Joint North-South Korean Coordinating Committee concluded a 2-day meeting in Pyongyang. The committee discussed possible cooperation in economic and cultural fields, reconciling differences in language, and sharing of fishing grounds.

November 20: The United Nations Food and Agriculture Organization announced that the developing countries are not producing enough food to keep pace with population increases. Food output per capita in many countries was declining, as was actual food production in the densely populated Far East.

November 22: Voting in a referendum, under a continued state of martial law, South Koreans approved changes to their Constitution proposed by President Park Chung Hee. The new Constitution allows the President to run for an unlimited number of 6-year terms and provides for a restructuring of the National Assembly and the formation of a National Conference for Unification.

November 22: President Nixon removed a ban on travel by American ships and aircraft to the People's Republic of China. Carriers would still require Chinese permission to enter China. Scheduled air service could be established only after intergovernment agreements.

November 25: According to Soviet journalists, a band of Chinese Communists crossed the border into the Soviet Union near the Dzungarian Gate and killed five Soviet soldiers.

November 26: An agreement covering economic and military assistance in 1973 was signed by the People's Republic of China and North Vietnam.

November 27: The United States and Japan signed an agreement to regulate fishing operations in the North Pacific for the next 2 years.

November 28: Martial law was partially relaxed as the South Korean Government allowed the country's 81 universities and colleges to reopen. They had been closed since October 17.

November 29: Japanese Prime Minister Kakuei Tanaka proposed a conference of Asian and Pacific nations to discuss economic reconstruction of Vietnam after the war.

December 2: The full membership of the South-North Coordinating Committee was formally approved as a result of a 2-day visit to Seoul by a North Korean delegation. The committee was to make efforts to promote exchanges and eventually reunify the peninsula.

December 10: The Liberal Democratic Party (LDP) of Japan and Premier Kakuei Tanaka won the nationwide elections. While maintaining a majority in the House of Representatives (only the lower house of the Diet was scheduled for election), the LDP lost 15 seats. The Communist Party gained 24, the Socialists 31.

December 13: South Korean President Park Chung Hee lifted the martial law regulations that had been in effect for 57 days. Activities by political parties continued to be banned.

December 22: Australia and New Zealand announced they had established relations with the People's Republic of China and had canceled their relations with the Republic of China.

December 23: In elections held in the Republic of China, the Kuomintang won nearly all of the 89 newly added seats in the legislative bodies and of the positions in local governments. A few independent candidates defeated Kuomintang opponents. The preponderance of the candidates were Taiwan-born, but most of the nearly 1,800 incumbent members of the Legislature were elected to office on the mainland 25 years ago.

December 23: President Park Chung Hee was reelected for a 6-year term under the new South Korean Constitution by the National Conference for Unification.

December 26: Private organizations of Japan and Nationalist China entitled the Interchange Association and the East Asia Relations Association, respectively, signed an agreement to conduct contacts between parties of the two nations in view of the break in diplomatic relations. Although the organizations had no official government status, they were largely staffed by previous Embassy employees and were housed in buildings previously occupied by the Embassies.

SOUTHEAST ASIA AND PACIFIC⁶

SUMMARY

Events in Southeast Asia during 1972 were dominated by the war in Vietnam and by continuing U.S. attempts to bring the war to a conclusion. There was also much domestic political activity in the nations of Southeast Asia and the Pacific; in some cases this appeared to be preparing the scene for possible changes in the international situation in the area.

Military aspects of the war took several turns as the United States continued its policy of withdrawing ground combat troops from South Vietnam. From a figure of 157,000 on January 1, 1972, U.S. troop strength had been reduced to 24,100 by the end of 1972. Along with this reduction, there was some moving of troops to Thailand bases, and a heavy shift in emphasis to air and naval support. This latter means of assisting the South Vietnamese appeared to be a factor in limiting the degree of success attained by the North Vietnamese during the "Easter offensive" which began in late March. Communist troops backed by heavy artillery launched a massive series of attacks through the demilitarized zone and at other points in the South, and for a time, threatened several strategic cities. Actual losses by the South Vietnamese, however, were limited to territory in relatively sparsely populated areas. Communist forces gained temporary control of the provincial capital of Quangtri, which was later regained by the South; extended their line of control in Quangtri Province to 10-15 miles south of the demilitarized zone and into the western mountainous parts of the Province; took portions of the central highlands and areas reaching toward Saigon from the Cambodian border; but did not win the fierce battles over Anloc or Kontum. The offensive, therefore, ultimately failed to achieve its avowed goal of causing the collapse of the South Vietnamese Army.

One strong deterrent to North Vietnamese military successes may have been the mining of the harbors and waterways of that country, first announced by President Nixon on May 8. His statement was seen by some as laying down an ultimatum both to Hanoi and to the Soviet Union, Hanoi's main supplier of war material. Besides the mining, the President said that maximum efforts would be made to cut off rail and other communications within North Vietnam until cessation of its offensive. Bombing of the North was thus intensified, and in June Hanoi charged that the system of dikes controlling the waterways of North Vietnam was being attacked. This charge, denied by the United States, gained popularity through the summer and by the end of July the administration released a report asserting that only minor or unintentional damage had been done to the dikes.

⁶ Prepared by Dagnija A. Sterste, foreign affairs analyst.

In late October, bombing was restricted to those areas south of the 20th parallel. It was resumed on December 18, with the breakdown in the private peace negotiations which had meanwhile been held between Dr. Henry Kissinger and Le Duc Tho. Despite strong expressions of disapproval from domestic groups and a number of foreign governments, the renewed and very intensive bombing continued for 12 days.

As for peace initiatives, the year began with public disclosure of the secret eight- and nine-point plans offered in 1971 by the United States and North Vietnam, respectively. The main difference between the plans was North Vietnam's insistence that the United States cease to support the Thieu government and impose a coalition government on the South, a demand which was not substantially changed until October. The public talks in Paris continued through the year on an on-again, off-again basis, both sides walking out at times and exchanging accusations concerning the sincerity of the other side's motives.

A 4-day series of private talks between Assistant to the President Henry Kissinger and Hanoi Politburo member Le Duc Tho, October 8-12, was publicized by Hanoi on October 26. Dr. Kissinger responded on the same day with an announcement that peace was "at hand." He outlined the terms of the draft agreement reached by the United States and North Vietnam and predicted that remaining points of dispute could be settled after another negotiating session of 3-4 days' duration. The ensuing 11½ months saw two series of Kissinger-Tho talks and much speculation in the press, but no final agreement was reached. On December 16, Dr. Kissinger reported that the talks were at an impasse because of Hanoi's reintroduction of previously settled issues. He described the agreement as "99 percent" completed, but declined to predict whether or when negotiations would be resumed. The next announcement of resumption of negotiations occurred on December 30, after the 12-day period of U.S. bombing of North Vietnam.

The possibility of settlement of the war in Laos was opened in July when Laotian Prime Minister Souvanna Phouma and Prince Souphanouvong, head of the Pathet Lao, exchanged messages concerning commencement of negotiations. A number of meetings of the delegations of both parties were held, but by the end of the year no apparent progress had been made.

Domestically, South Vietnam's President Thieu took a number of steps during the year to strengthen his political hold over a country beleaguered with a rising tide of refugees and civilian casualties from the war. According to the Senate Subcommittee on Refugees more than a million new refugees had been generated since the start of the Communist offensive in March, and of these 700,000 were in refugee camps at the end of the year; in the same period there were at least 200,000 civilian casualties, including 65,000 deaths. In May, President Thieu requested emergency powers that would allow him to rule by decree and then declared martial law for the first time since the 1968 Tet offensive. Amidst parliamentary controversy, he was granted emergency decree powers in the areas of national defense, security, and economic matters. During the summer he issued a series of decrees severely curtailing freedom of the press and shutting down a number of newspapers, cracking down on narcotics law violators, launching an anti-

corruption campaign, and abolishing popular elections of hamlet officials. At the end of the year, just prior to the expiration date of his special powers, he in effect eliminated a number of opposition parties by setting down stringent requirements on the minimum numbers of candidates that a party would have to field in an election and the minimum percentage of the vote that would have to be gained by a political party to avoid being dissolved.

Similar steps toward consolidation of power were taken by leaders of other southeast Asian countries. In Cambodia, Marshal Lon Nol dissolved the National Assembly, pronounced himself President, and formed a new government. After winning the presidential election in June with 55 percent of the vote, he announced the formation of a "Nationalist Union Movement" in which all political parties would be required to unite. Subsequently, the two main opposition parties said that because the election laws gave unfair advantage to the Government, they would not participate in the September National Assembly elections. Thus, the progovernment party won virtually the entire vote, making a clean sweep of seats in the upper house of the assembly. The role of the assembly as an independent force was seen as being greatly diminished. As in Vietnam, some newspapers in Cambodia were closed down, including one operated by the runner-up in the presidential election.

The Philippines experienced a year of turbulence, both physically and politically. Extraordinarily heavy rain caused major flood devastation. It was estimated that recovery costs would amount to over \$100 million. The U.S. Congress authorized the President to spend up to \$50 million for flood relief, rehabilitation and reconstruction in that country. With regard to political developments, President Ferdinand Marcos imposed martial law on the Philippines on September 23 after an unsuccessful assassination attempt on Defense Secretary Juan Ponce Enrile. He announced a dual platform for establishing law and order and defeat of Communist insurgency along with broad social, economic, and political reforms, and said that martial law would remain in force until such reforms were implemented. Among the measures introduced were a land redistribution program, censorship of newspapers and other media, arrest of many leading persons including legislators, local officials, and newspaper editors, and a crackdown on possession of arms by the population.

In its international relations, the Philippines expressed an intention of reappraising its stance, especially vis-a-vis the United States. President Marcos said that all existing treaties with the United States would be renegotiated, including agreements having to do with U.S. bases in that country. The Philippine Supreme Court decided that U.S. citizens and corporations would no longer be able to acquire and own private properties and business enterprises in the Philippines after July 1974.

In February, President Marcos entered into an agreement with President Suharto of Indonesia calling for loose military cooperation. The two leaders issued a communique welcoming other friendly countries to participate in such broadening of relations in response to the emergence of Communist China as a major power and to the winding down of the U.S. military presence in Southeast Asia. At the June meet-

ing of SEATO's Council of Ministers. Foreign Secretary Romulo said that SEATO, having become anachronistic, needed a "massive transformation."

The Labour parties were victorious in the end-of-year elections both in Australia and New Zealand. The foreign policy pronouncements of Prime Minister Gough Whitlam of Australia and New Zealand's Prime Minister Norman Kirk indicated that they both intended to effect changes in the traditional roles of their respective countries. By the end of the year, both countries had established diplomatic relations with the People's Republic of China, severed ties with Taiwan, and withdrawn what few remaining personnel they had in Vietnam.

CHRONOLOGY

January 1: Military sources in Saigon disclosed that B-52 bombers had been sent over northern Laos to aid U.S. air support of Laotian troops resisting a North Vietnamese offensive.

January 2: President Richard M. Nixon explained that accelerated Communist troop infiltration, firing at U.S. aircraft, and the shelling of Saigon had prompted the December order to heavily bomb North Vietnam.

January 13: President Nixon announced that 70,000 troops would be withdrawn from Vietnam over the next 3 months, creating a new troop ceiling of 69,000 by May 1.

January 21: Senior U.S. sources in Bangkok reported that the number of CIA-supported Thai soldiers serving in Laos would be increased to contend with the worsening military situation in Laos. The unofficial present total of 4,800 to 6,000 Thais was expected to double, the sources estimated.

January 24: In a policy address at the opening of the Philippine Congress, President Ferdinand E. Marcos pledged to strive for the establishment of diplomatic relations with both the Soviet Union and Communist China to coincide with an "era of multiple alignments." The Philippines had established relations with Yugoslavia and Romania during the previous 2 weeks.

January 25: President Nixon in a major foreign policy address disclosed that the United States had secretly offered proposals to end the Vietnam war to Communist leaders as early as August 1969, when Assistant to the President Henry A. Kissinger made the first of 13 trips to Paris to carry on secret negotiations. He added that his secret eight-point plan of October 1971 had been ignored at the same time that Hanoi was condemning the United States in public for not responding to Communist proposals. The plan incorporated an agreement by President Nguyen Van Thieu and Vice President Tran Van Huong to resign from office 2 months before an internationally supervised presidential election in South Vietnam in which all political forces including the Vietcong would participate. In addition, the plan included the promise of total withdrawal of United States and allied forces within 6

months of an agreement parallel with "the release of all military men and innocent civilians captured throughout Indochina" and a cease-fire all to be internationally supervised and given international guarantees.

January 26: Assistant to the President Kissinger in a news conference reviewed President Nixon's eight-point peace plan and his own private efforts to end the deadlock at the Paris talks. He said that settlement on North Vietnam's nine-point plan, negotiated secretly for 30 months, was foreclosed on two counts: Hanoi's refusal to make concessions in return for American withdrawal and its insistence that the United States not only terminate all support for the Saigon government but attempt to change it directly. The President was prepared at any time to revert to a simpler proposal like the one offered in private talks of May 31, 1971, calling for unilateral American troop withdrawal in return for a cease-fire and prisoner exchange, Kissinger added.

January 27: In remarks to editors and broadcasters, Secretary of State William P. Rogers said that to walk out of South Vietnam unconditionally and permit "a Communist takeover" would undermine all U.S. world commitments and reduce U.S. credibility "to zero." In response to questions about the U.S.-proposed cease-fire for Indochina, Rogers stated that it would include the use of American airpower flying from bases in Thailand and elsewhere.

January 28: White House Press Secretary Ronald L. Ziegler confirmed that in 1971 President Nixon had secretly offered North Vietnam \$2.5 billion as part of a \$7.5 billion package for Indochina's reconstruction (\$5 billion of which was earmarked for South Vietnam, Laos and Cambodia).

January 30: Laotian Premier Souvanna Phouma said that North Vietnamese gains in Laos were designed to guarantee a role for Hanoi in an Indochina settlement. Souvanna reaffirmed his acceptance of the U.S. bombing of Laos (particularly the Ho Chi Minh Trail, over which he had "no control"), and noted the possibility of a cease-fire and withdrawal of North Vietnamese troops supervised by a strengthened International Control Commission.

January 31: North Vietnam made public the nine-point peace proposal it had secretly submitted to the United States in June 1971. It called for "the withdrawal of the totality of U.S. forces," a simultaneous release of prisoners of war, an end to U.S. support of the Thieu government, the establishment of a coalition government, and a cease-fire. The proposal stated that: "The above points form an integrated whole."

February 1: The U.S. Command in Saigon acknowledged for the first time that South Vietnamese bombers had been flying strikes in Laos since December 1, 1971.

February 2: Sir Keith Holyoake resigned as Prime Minister of New Zealand after nearly 12 years in office, and a caucus of his governing National Party chose his deputy, John Ross Marshall, as his

successor and Finance Minister Robert R. Muldoon as Deputy Prime Minister.

February 3: The Vietcong, with the support of the North Vietnamese, presented a revised version of their July 1971 peace proposal in Paris. The new version called for: the immediate resignation of President Thieu in exchange for immediate discussion of a political settlement; a specific date for total withdrawal of U.S. and allied troop advisers, military personnel, weapons and war materials, and for the release of all military and civilian prisoners; and an end to the pacification policy. In addition, the proposal called on Saigon to "end its warlike policy" and "disband at once its machine of oppression and constraint against the people." The plan was rejected by South Vietnam.

February 9: In an interview with Carl T. Rowan reported today, Singapore President Lee Kuan Yew attributed the decline of U.S. influence in Asia to actions by the President and Congress reflecting an unwillingness to meet obligations and "see problems through," and emphasized that Japan and the Soviet Union, rather than China, would be moving into the vacuum left by the United States.

February 14: Indonesian President Suharto and Philippine President Marcos agreed to join their countries in a loose military cooperation scheme that would call for exchange of information and joint military exercises. The two leaders invited other "friendly countries" of the Asia-Pacific area to join them on the same basis, "irrespective of differences in political systems."

February 17: A Laotian task force, with U.S. support, launched a major offensive into the Plaine des Jarres in an effort to slow the North Vietnamese offensive against the Government's key defense base of Long Cheng. The plain had been occupied by enemy forces since December.

March 5: Australian Prime Minister William McMahon said that his Government would seek to broaden relations with mainland China by means of a new diplomatic mission which would be established in Hong Kong, and that a senior Cabinet member would be sent to talk to the Chinese "if they gave an indication that they would like a ministerial visit."

March 10: The Mekong Committee, formed 15 years ago by Laos, Thailand, Cambodia, and South Vietnam, released a comprehensive report calling for a total investment of \$12 billion in a plan for the development of the Mekong River basin over the next 30 years. Without flood control and systematic irrigation, the report said, the area would suffer a food deficiency which would necessitate importing food in large amounts by 1981; but with integrated development, this deficiency could be turned into a surplus of about the same amount.

March 12: After dissolving a National Assembly which had been working on a new constitution and taking over from Cheng Heng

as Chief of State, Marshall Lon Nol declared himself President of Cambodia, Commander in Chief of the Armed Forces and President of the Council of Ministers.

March 21: President Lon Nol announced the formation of a new Cambodian Government, thus ending an 8-day governmental crisis marked by the absence of a Prime Minister and Cabinet. Son Ngoc Thanh, Presidential Adviser, was named Prime Minister and 17 ministers, most of them well-known officials, were named to the Cabinet. Former Deputy Premier Sirik Matak, who had run the Government during Lon Nol's illness, was dropped.

March 21: American officials in Bangkok disclosed that 525 U.S. military men were advising and training Thai troops in counter-insurgency operations in Thailand. Of this total, 245 were members of "advisory components" for regular Thai military units and 280 were U.S. Special Forces men training Thai Special Forces, who in turn trained regular troops and policemen.

March 23: Ambassador William J. Porter announced at the 147th session of the Paris peace talks that no further meetings would be held until the Vietnamese Communists showed a willingness for "serious discussion" on concrete issues defined in advance.

March 30: North Vietnamese used guns with 17-mile ranges in major attacks against the northern line of South Vietnamese bases along the DMZ, while enemy infantrymen simultaneously attacked fire support bases farther south. Ten of the bases were abandoned by the South Vietnamese, although they received support of U.S. tactical air strikes and naval gunfire. The last U.S. combat troops were removed from the DMZ area last year, and only advisers remained stationed with the South Vietnamese troops there.

April 1: North Vietnam launched an attack on South Vietnam and advanced south of the DMZ.

April 3: The northern half of Quangtri Province was abandoned by South Vietnamese forces as North Vietnamese troops continued an advance southward. American officials asserted that they did not intend to provide anything besides air support to the Vietnamese, and such support had been impossible because of low clouds and rain in the area. Tens of thousands of civilian refugees were reported fleeing south of Quangtri City.

April 6: American planes and destroyers began systematic bombardment of surface-to-air missile sites north of the demilitarized zone in North Vietnam. Adm. Thomas H. Moorer, Chairman of the Joint Chiefs of Staff, said in Washington that the resumed bombing would continue "as long as there are valid military targets supporting this offensive." Heavy ground fighting continued in the area of Loc Ninh, north of Saigon, and in the area south of the demilitarized zone.

April 11: U.S. Government sources disclosed figures that had been prepared within the intelligence community before the current North

Vietnamese offensive which showed that total aid to North Vietnam in 1971 from the Soviet Union was \$705 million in 1967, \$415 million in 1970, and \$415 million again in 1971.

April 11: The Senate rejected two proposed amendments to the War Powers bill as follows: By 11 yeas to 74 nays, an amendment which would have made the provisions of the bill applicable to hostilities in which U.S. Armed Forces were involved on the effective date of the bill; and by 28 yeas to 56 nays an amendment designed to avoid any implication that the Congress gave negative or implicit sanction to continuation of the Vietnam war. A third amendment—calling for a formal declaration of war against North Vietnam—was tabled 78 to 7.

April 14: Administration officials revealed that President Nixon had ordered strikes by B-52 bombers throughout the southern panhandle of North Vietnam. Up to 150 of the heavy bombers were to participate in the attacks, the most extensive use of such bombers thus far in the war.

April 16: The U.S. Military Command in Saigon announced that B-52's and tactical aircraft had struck "military targets in the vicinity of Haiphong and other areas of North Vietnam." Targets were listed as "logistical facilities such as fuel dumps, warehouses, truck parks, and other activities." Subsequently, the command announced that Hanoi had been bombed as well, and that two U.S. warplanes had been shot down.

April 20: The House Democratic caucus voted to direct the House Foreign Affairs Committee to report out in 30 days legislation that would end U.S. military involvement in Vietnam.

April 24: Columnist Jack Anderson revealed part of the contents of a secret 1969 Vietnam study commissioned by President Nixon before he was sworn in. This "National Security Study Memorandum" printed by the Washington Post on April 25, cited sharp differences of opinion over various aspects of U.S. policy in Vietnam among the CIA, Joint Chiefs of Staff, Department of State, Office of the Secretary of Defense, and the U.S. Embassy in Saigon.

April 25: In a joint statement, the United States and South Vietnam announced that they would return to the Paris peace talks and that "the first item of business in these talks must be the discussion of measures which will put an end to the flagrant North Vietnamese invasion of South Vietnam which was launched earlier this month."

April 26: President Nixon announced that 10,000 troops per month would be withdrawn from Vietnam in the next 2 months, bringing the total down to 49,000 by July 1. He also expressed his "firm expectation" that resumption of the Paris talks would lead to progress, and declared that "we will not be defeated" in Vietnam.

April 30: In a question-and-answer session with prominent Texas Democrats and Republicans, President Nixon discussed his Vietnam policies and his desire to uphold the "respect" of the Presidential office. Regarding bombing targets in North Vietnam, he said "we are prepared to use our military and naval strength against military targets throughout North Vietnam, and we believe that the North Vietnamese are taking a very great risk if they continue their offensive in the South."

April 30: North Vietnamese Politburo member Le Duc Tho arrived in Paris and said that he was there to negotiate with the United States to find a "just and equitable peaceful solution to the Vietnamese problem." He proposed a "government of national harmony with three components" for South Vietnam and said, "We in no way want to impose a 'Communist regime' in South Vietnam such as Mr. Nixon has fabricated."

May 1: South Vietnamese forces and their American advisers abandoned Quangtri, South Vietnam's northernmost provincial capital, after 5 days of intensive fighting, giving the North Vietnamese forces their most important victory of the current offensive. The fall of Quangtri increased the threat to the imperial capital, Hue, whose population was swollen with refugees. Enemy pressure continued in Kontum, a provincial capital in the Central Highlands, in Binh Dinh Province on the Central Coast, and around Anloc, north of Saigon.

May 4: The Paris peace talks were broken off again for an indefinite period because of what U.S. Ambassador Porter described as "a complete lack of progress in every available channel."

May 7: President Nixon summoned Secretary of State Rogers home from his European trip and called a meeting of the National Security Council for the next morning, in light of the deteriorating military situation in Vietnam. The White House also announced that Assistant to the President Henry Kissinger's trip to Japan would be postponed.

May 8: President Nixon, in a broadcast address on Indochina, said that "Hanoi must be denied the weapons and supplies it needs to continue the aggression." He announced that to achieve this goal, he had ordered all entrances to North Vietnamese ports to be mined; "appropriate measures" to be taken "within the internal and claimed territorial waters of North Vietnam to interdict the delivery of any supplies"; and rail and other communications to be cut off "to the maximum extent possible." Air and naval strikes against military targets in North Vietnam would continue. These measures would be discontinued upon the return of all American prisoners of war and the beginning of an internationally supervised cease-fire, at which time the United States would "stop all acts of force throughout Indochina" and proceed with "a complete withdrawal of all American forces from Vietnam within four months."

May 9: Assistant to the President Henry Kissinger said in a news conference that the mining of North Vietnamese harbors was not viewed by the administration as a confrontation with the Soviet Union. While he did not believe that the mining would affect the battles taking place in South Vietnam within the coming 3 weeks, Kissinger said it should "affect the next round." If lightering of ships carrying cargoes were to occur outside the mined area, "we would interfere with it to the maximum degree possible," he said.

May 9: South Vietnamese President Nguyen Van Thieu, in a televised speech, asked for emergency powers that would allow him to issue decrees subject to subsequent approval by the National Assembly.

May 10: President Thieu declared martial law in South Vietnam for the first time since the Tet offensive of 1968. South Vietnamese sources said that universities would be shut down, censorship could officially be reimposed, and civil administration would fall under military authority.

May 11: The mines placed in North Vietnamese ports by U.S. planes became activated at 7 a.m., e.d.t.

May 12: A Defense Department spokesman said that "several" of the 25 merchant ships reportedly heading for North Vietnamese ports had changed course because of the U.S. mine blockade. He also disclosed that a total of seven or eight vessels had left Haiphong Harbor before the mines became activated, and that no apparent attempt had been made by any of the 31 foreign ships remaining in Haiphong Harbor to run the minefield.

May 14: The lower house of the South Vietnamese National Assembly approved a bill granting President Thieu the right to rule by decree (with subsequent approval by the National Assembly) for 6 months, except for ratification of treaties, declarations of war, or negotiations to make peace.

May 15: A Pentagon spokesman disclosed that the mined waterways of North Vietnam included the Red River and other inland waterways, in order to cut off movement of supplies within North Vietnam.

May 16: The Senate, in continuing consideration of the State Department-USIA appropriations bill, adopted amendments, making an internationally supervised cease-fire a prerequisite to the withdrawal of U.S. Forces from Indochina.

May 16: The United States and South Vietnam refused to resume the Paris peace talks in response to a Communist proposal to that effect. On May 12, Le Duc Tho, North Vietnamese Politburo member, had indicated that the semipublic Paris talks must resume before secret negotiations could be continued, but the American delegation criticized Tho's remarks for "carefully avoiding any indication of flexibility or willingness to discuss both sides' positions."

May 23: The Senate Foreign Relations Committee ordered favorably reported S. 3390, authorizing \$1.7 billion in foreign military aid for fiscal year 1973, and adopted amendments requiring withdrawal of all U.S. Forces from South Vietnam by August 31, placing a \$275 million ceiling on military and economic aid to Cambodia, and tightening the language in an antimercenary provision designed to prevent financing of Thai troops in Laos or Cambodia.

May 24: In response to an inquiry by the New York Times, Senator Edward M. Kennedy released estimates made by his refugee subcommittee staff on civilian war casualties. These indicated that the renewed fighting since the end of March had resulted in 40-50,000 casualties, including 15,000 dead, as of the first week in May; 40-50,000 additional casualties were expected by the first week in June. New refugees caused by the fighting were believed to number a million.

May 24: The United States and South Vietnam turned down a request of the previous day by the Communist side to resume the suspended Paris peace talks on May 25.

May 31: The Senate passed 76 to 1, S. 3526, authorizing \$1 billion for the State Department and USIA. Prior to the vote, the Senate had removed amendments which would have cut off funds for Vietnam, agreeing to consider the issue in relation to the foreign military assistance bill (S. 3390) instead. The Foreign Relations Committee had already attached an end-the-war amendment by Senator Mansfield to the latter bill.

June 2: The South Vietnamese Senate, by a 27 to 21 vote, rejected President Thieu's request that he be granted authority to rule by decree for 6 months because of the Communist offensive. During the day-long debate, normally pro-Government Roman Catholics joined the opposition to defeat the bill.

June 6: South Vietnamese field officers announced that the Central Highlands provincial capital of Kontum had been completely cleared of enemy soldiers; casualties sustained in Kontum since May 25 were estimated at 1,000 South Vietnamese and 3,000-5,000 North Vietnamese. The Ministry of Social Welfare in Saigon reported that 558,680 refugees had been registered by the Government from March 30 through May 26 for all of South Vietnam, but estimated the actual number of refugees to be 750,000.

June 7: According to unofficial figures released by the Cambodian Information Ministry, Marshal Lon Nol won the presidential election held on June 4 with slightly less than 55 percent of the vote. About a million citizens, or less than half the number of eligible voters out of the country's 7 million population, participated in the election. In Tam, former National Assembly president, came in second with about 25 percent of the vote and Keo An, a "peace candidate" who openly advocated the return of exiled Prince

Sihanouk to Cambodia as a private citizen, received about one-fifth of the vote.

June 8: The North Vietnamese delegation to the Paris talks charged that American planes had intentionally and heavily bombed dikes and waterworks of the Red River and other streams from April 10 to May 24. The North Vietnamese statement said that the planes had conducted 42 raids and dropped 580 bombs during this period. In Washington, Vice Adm. William P. Mack and Air Force Gen. George J. Eade denied that dikes were among the targets struck by Navy and Air Force bombers.

June 8: President Ferdinand E. Marcos said after a meeting of the Philippine National Security Council that his country intended to renegotiate existing treaties with the United States, including the 25-year military bases agreement signed in 1966, and all other agreements. "We have started a study of the new U.S. policy toward Southeast Asia, including the U.S. Congressional policies which give a low priority for the Philippines," Marcos said.

June 9: John Paul Vann, chief U.S. Adviser in South Vietnam's Military Region II (which included the Central Highlands and the provincial capital of Kontum), was killed in a helicopter crash as he was traveling from Pleiku to Kontum. The highest ranking American civilian to die in the war, Vann had assumed direct personal control of the defense of the Central Highlands in what was generally regarded as the region with the weakest South Vietnamese military leadership.

June 10: Pentagon sources said that in order to cut U.S. troop strength in Vietnam to the 49,000-man level announced by President Nixon for July 1, several Air Force and Marine fighter units would be shifted to Thailand, where U.S. forces now numbered nearly 40,000. About 60,000 U.S. troops remained in South Vietnam as of June 3, leaving nearly 11,000 to be transferred during the ensuing 3 weeks.

June 10: The lower house of the South Vietnamese National Assembly failed by 26 votes to override the Senate's rejection of a special powers bill, which would have given President Thieu the power to levy new taxes, censor the press, freeze private bank accounts, draft veterans, and revalue the piaster. The House approved a compromise bill granting Thieu special powers in matters of national defense, security, economy, and finance.

June 13: The House Foreign Affairs Committee adopted a resolution stating it to be the sense of Congress that U.S. Forces should withdraw from Vietnam not later than 4 months following establishment of an internationally supervised cease-fire throughout Indochina, the return of all American prisoners, and an accounting of those missing in action. The resolution was adopted after the committee rejected, by a one-vote margin, legislation that would end U.S. military involvement in Vietnam endorsed by the Democratic Caucus in its April 20 directive.

June 13: About 1,500 South Vietnamese troops were sent into Anloc to rout the remaining North Vietnamese troops still manning posts around the city, thus signalling the end of 68 days of fierce fighting.

June 13: The Cambodian Government closed down two daily newspapers, including one operated by In Tam, runnerup in the Presidential elections. The official charges included "disseminating false news, disrupting public order, damaging the unity of the Khmer people, and insulting the Government and sabotage."

June 14: Speeches given on the opening day of the seventh Ministerial Conference of the Asian and Pacific Council stressed the necessity for accommodation and normalization of relations with the People's Republic of China. With the exception of Thailand and South Vietnam, the representatives of all participating countries expressed their desire to fit into the "emerging currents of a new era."

June 14: First Air Marshal Aried Rijadi announced that the Indonesian Air Force would shortly receive a squadron of 16 T-33 jets from the United States in addition to a squadron of Sabre jet fighters which was promised as the first phase of a United States 3-year \$24-million defense aid program. Under both programs, Indonesian pilots would be trained abroad, and instructors from the United States and Australia would train personnel in Indonesia.

June 14: United States bombing of Hanoi and its environs was called to a halt for a 4-day period coinciding with the visit of Soviet President Podgorny to that city. Air Force officers at the Danang air base added, however, that the halt did not extend to all of North Vietnam but only to the regions around the capital.

June 18: At the close of his 3-day mission to Hanoi, Soviet President Podgorny predicted that the Paris peace talks would soon resume and said that "The Soviet Union will do everything possible for a deescalation of the Vietnam war."

June 21: The House Foreign Affairs Committee, considering H.R. 13759 (the Foreign Assistance Act of 1972) voted in executive session to adopt an amendment which would cut off U.S. aid to Thailand until that country took steps to stop drug traffic there. The amendment would affect around \$200 million in proposed aid for Thailand, including \$80 million in military assistance. Aid would be restored when the President reported that he was satisfied Thailand was taking steps to control the drug traffic.

June 22: Cambodian President Lon Nol announced the formation of a political organization, the Nationalist Union Movement, with himself as the head. He appealed to members of all political parties to join his organization rather than continue as separate parties. The Democratic, Socio-Republican, and Republican Parties had been preparing themselves for the parliamentary election scheduled to take place in 3 months.

June 25: The 7th Air Force in Saigon announced that U.S. jets had dropped laser-guided "smart" bombs on the Thai Nguyen steel plant 30 miles north of Hanoi, destroying North Vietnam's entire steel-producing capacity. The steel complex was the biggest industrial plant in North Vietnam and was the only domestic source of steel for railroads, bridges, and buildings.

June 27: The House passed H.R. 15495, authorizing appropriations for military procurement for fiscal year 1973. Rejected were an amendment to delete \$2.5 billion for Vietnamese and free world forces for fiscal year 1973 and \$200 million for fiscal year 1972; an amendment to terminate funds on September 1, 1972, for deployment of U.S. military personnel or conduct of U.S. military operations in Southeast Asia; and an amendment to prohibit the use of funds for purposes of bombing dikes and levees in North Vietnam.

June 27: At the opening of the semiannual meeting of SEATO's Council of Ministers, Philippine Foreign Secretary Carlos P. Romulo said that SEATO had become an anachronism and that it "needs a massive transformation." Secretary of State Rogers defended the alliance, saying that it was "the worst possible time to talk about changing alliances that make it possible for very substantial changes which have come about in the world community today."

June 27: The South Vietnamese Senate voted 26 to 0 to give President Thieu authority to rule by decree on matters of defense and economics for 6 months. Opposition members were not present in the chamber when the vote was taken and indicated that they would challenge the action in the Supreme Court.

June 28: White House Press Secretary Ronald Ziegler announced that 10,000 additional men would be withdrawn from South Vietnam by September 1, reducing U.S. military strength there to 39,000 by that date. In addition, he said that the President ordered no further draftees to be sent to Vietnam unless they volunteered for duty there. This announcement would not affect the 4,000 draftees currently in Vietnam or those already under orders to go there.

June 28: A force of about 10,000-20,000 South Vietnamese paratroopers and marines began a drive to retake Quangtri Province by launching a counter-offensive across the Mychanh River. The drive was preceded and accompanied by the largest concentration of firepower from ships and bombers used on a single area in the Vietnam war.

June 29: In a televised press conference, President Nixon announced that the United States and North Vietnam would resume the Paris peace talks on July 13. The return to the negotiating table would be made "on the assumption that the North Vietnamese are prepared to negotiate in a constructive and serious way," the President said, but if the North Vietnamese would not proceed "on that basis," he said that American bombing and other forms of military pressure would continue.

July 7: Prince Souphanouvong, head of the Pathet Lao, agreed in a cabled message to his half-brother, Lao Prime Minister Souvanna Phouma, to discuss possible negotiations to end the Laotian war. Officials in Washington noted that the message could open the way to a solution of those Laotian problems not directly involved in the Vietnam war.

July 17: The Senate, continuing consideration of S. 3390 (the Foreign Military Assistance bill) adopted by voice vote an amendment authorizing \$5 million to assist South Vietnamese children disadvantaged by hostilities in their country.

July 18: Continuing consideration of S. 3390, the Senate adopted two amendments to the bill: by voice vote, an amendment urging preparation of plans and programs to provide for postwar relief and rehabilitation of the people and nations of Indochina; and another amendment earmarking \$70 million of funds already in the bill for humanitarian assistance in South Vietnam.

July 19: Assistant to the President Henry Kissinger and North Vietnamese Politburo member Le Duc Tho met privately in Paris for the 14th time for talks lasting 6½ hours. White House press secretary Ronald Ziegler said upon Kissinger's return to Washington that "Further meetings will be announced as they are held. By mutual agreement, neither side will reveal the substance of these meetings."

July 24: U.N. Secretary-General Kurt Waldheim said that he had had "private and unofficial information" from Hanoi indicating that the United States was bombing the dikes of North Vietnam. While he did not claim that the bombing was intentional, he appealed to the United States to "avoid this kind of action, which could lead to enormous disaster and enormous human suffering."

July 24: The Senate rejected S. 3390, 48 to 42, after adopting an amendment providing for withdrawal of U.S. forces from Vietnam, Laos, and Cambodia within 4 months after date of enactment, and limiting expenditure of funds on military actions in Indochina for the purpose of withdrawing U.S. forces, conditioned on release of all American POW's.

July 25: The House Foreign Affairs Committee, considering H.R. 13759, approved an amendment that would require the withdrawal of all U.S. forces from Indochina and the termination of all hostilities no later than October 1, contingent upon a cease-fire with North Vietnam "to the extent necessary to achieve safe withdrawal" of U.S. forces and upon release of all U.S. prisoners of war and an accounting for men missing in action.

July 26: State Department spokesman Charles W. Bray said that an administration study showed that only "the most incidental and minor impact on the system of levees" of North Vietnam had resulted from American bombing. Prior to Bray's announcement, officials had publicly stated only that dikes "may have been hit" unintentionally by bombs aimed at military installations or military traffic.

July 27: In a news conference, President Nixon reiterated that U.S. policy had never been and would not be to bomb the dikes of North Vietnam. He cited recent official figures for South Vietnamese civilian casualties caused by the current offensive as 45,000 including 15,000 deaths, and placed the number of refugees at 860,000, most of whom were still in refugee camps.

July 28: The administration released an intelligence report, prepared largely by the CIA, which asserted that on the basis of photographic evidence, U.S. bombing had damaged North Vietnam's dike system at 12 points. However, the report concluded, the hits were unintentional, their impact was minor and easily repairable, and "no major dike has been breached."

August 2: The Senate passed H.R. 15495—fiscal year 1973 military procurement authorizations—by a 92 to 5 vote, after adopting an amendment providing for withdrawal of U.S. forces from Vietnam, Laos, and Cambodia within 4 months after date of enactment, and limiting expenditure of funds with respect to military actions in Indochina to the purpose of withdrawing U.S. forces, conditioned on release of all U.S. POW's. House and Senate Armed Services Committee members were appointed as conferees.

August 5: South Vietnam's President Thieu issued a decree requiring every daily newspaper to deposit in the treasury within 30 days the equivalent of \$47,000 as a guarantee to cover possible future fines and court charges arising from the Government's press code. The decree also called for the Interior Ministry to shut down any papers after the second time an issue had been confiscated by the Government for containing "articles detrimental to the national security and public order."

August 6: Cambodia's Democratic Party announced that it would boycott the September 3 National Assembly election. The announcement followed by a week a similar move by the Republican Party, the other major opposition to the ruling Social Republican Party headed by President Lon Nol. Both groups charged that the election law gave the Government an unfair advantage at the polls.

August 9: The Agency for International Development announced that the United States would give \$6 million in grants and \$24 million in surplus food to the Philippines to help its recovery from the floods. An additional \$2.4 million had already been spent by the United States for immediate emergency relief during the 6 weeks of heavy rains. U.S. Embassy and Filipino officials estimated that the total costs of recovery would be over \$100 million.

August 10: By a vote of 221 to 172, the House passed H.R. 16029, the Foreign Assistance Act. It rejected an amendment that sought to change the effective U.S. pullout date from Indochina from October 1 to December 31, 1972; and passed an amendment striking out language that called for a U.S. pullout by October 1, 1972, after agreeing to an amendment specifying that POW's be released prior to any withdrawal of U.S. troops from Indochina.

August 12: The Third Battalion of the 21st Infantry became the last U.S. ground troops to leave Vietnam. Remaining in Vietnam were around 43,500 service personnel in administrative and supply jobs, several hundred advisers, and pilots and crews of about 600 helicopters and 200 other combat planes.

August 13: Former U.S. Attorney General Ramsey Clark returned from a 2-week visit to North Vietnam, where he had talked with numerous officials including the Foreign Minister and Prime Minister, and said that he was assured that U.S. POW's would be released "when we stop this senseless, murderous bombing and end the war and get out." Clark had been the object of administration criticism for interviews which had been broadcast over Radio Hanoi.

August 16: A comprehensive report entitled "World Opium Survey 1972," completed in July after 9 months of research by the State Department, CIA, Bureau of Narcotics and Dangerous Drugs, Customs Bureau, and Treasury, was released by the State Department. It noted that despite increasing law enforcement efforts in the past 2 years, "the rising level of seizures still represents only a small fraction of the illicit flow." Burma, Thailand, and Laos were estimated to have produced 700 metric tons of illicit opium during 1971.

August 21: Philippine Supreme Court Justice Fred Rutz Castro announced that, according to a recent decision, the "parity amendment" to the Philippines Constitution would no longer be in effect and U.S. citizens, including corporations, would no longer be able to acquire and own, except in cases of hereditary succession, private properties and business enterprises in the Philippines after July 3, 1974.

August 29: President Nixon announced that 12,000 additional troops would be withdrawn from Vietnam by December 1, reducing the total U.S. troop strength there to 27,000 men. At a news conference, he said that he did not intend to halt the bombing of North Vietnam before a negotiated settlement was reached, but that it was "quite ridiculous" to think that the bombing would still be going on in 2 or 3 years.

September 2: The second election held in Singapore since its independence resulted in Prime Minister Lee Kuan Yew's People's Action Party's taking 70 percent of the vote and winning all 65 legislative seats.

September 2: The North Vietnamese Foreign Ministry announced that it would release three captured American pilots held as prisoners of war and that they would be turned over to a U.S. anti-war group. David Dellinger and Cora Weiss, cochairmen of the group through whom the release was to be made, said that if the pilots were used to "slander" North Vietnam or to train U.S. pilots for bombing raids, they would be the last POW's released until the end of the war.

September 7: South Korea announced that it would withdraw its 37,000 troops remaining in South Vietnam beginning in December 1972 and that the pullout would be completed by spring of 1973.

September 7: The press reported that South Vietnamese Premier Tran Thieu Khiem had announced on August 22 that popular democratic election of hamlet officials would be abolished. Under the new system, to be set up within 2 months, 44 province chiefs appointed by President Thieu would in turn appoint hamlet officials.

September 8: Conferees resolving differences between House- and Senate-passed versions of H.R. 15495 (military procurement authorizations for fiscal year 1973) agreed to drop an amendment cutting off funds for the Vietnam war from the bill. Senator Stennis, chairman of the Senate group, said that Senators fought for the end-the-war proposal but were unable to overcome House opposition.

September 14: The House agreed to the conference report on H.R. 15495 after rejecting, by a 208 to 160 vote an amendment that would have cut off funds for U.S. operations in Indochina except for withdrawal after 4 months, subject to release of prisoners.

September 15: As a result of President Thieu's August 8 decree, 14 of South Vietnam's 42 daily newspapers failed because of the inability of their publishers to deposit \$46,000 with the Government as a guarantee that censorship fines would be paid. Four of the six anti-Government newspapers were among those forced to shut down.

September 17: Two U.S. Navy lieutenants and an Air Force major who had been held by North Vietnam were released in a formal ceremony in Hanoi prior to a tour of bombed areas. They were accompanied by four U.S. anti-war activists, and two of the men were reunited with members of their families.

September 21: The U.S. Command in Saigon announced that, for the first time since March 1, 1965, there were no Americans killed in action in Vietnam. The weekly U.S. casualty figures were the lowest since the Command began keeping records on January 1, 1965. Total Americans killed since that time stood at 45,857.

September 23: President Ferdinand Marcos imposed martial law in the Philippines after an unsuccessful assassination attempt on his Defense Secretary, Juan Ponce Enrile. The step came in the wake of 2 months of bombing and other terrorist activities attributed to the Maoist New People's Army. Newspapers, civilian radio stations, university classes, and government offices were closed down and at least 20 people were arrested, including the Secretary General of the opposition Liberal Party.

September 26: The Senate passed H.R. 16029 after agreeing by a 45-42 vote to the Stennis amendment deleting from the bill that part of the committee amendment embodying the Brooke "end-the-war" amendment.

September 26: President Marcos signed a decree calling for nationwide land reform which he said would affect 60–65 percent of agricultural workers. He said in an interview that he hoped to end martial law by the end of his current term of office, and that the key to lifting martial law would be the end of Communist insurgency and establishment of broad economic, social, and political reforms.

September 28: Results of the September 17 elections were published in Cambodia and showed that the pro-Government Social Republican Party won 96.19 percent of the vote, making a clean sweep of 32 seats in the upper House of the Parliament.

September 28: The three U.S. pilots who had been held prisoner by the North Vietnamese landed at Kennedy International Airport in New York, having arrived from Hanoi via China, the Soviet Union, and Denmark.

October 2: The Senate passed H.R. 16593—defense appropriations for fiscal year 1973—after adopting an amendment to reaffirm U.S. policy relating to operations in Indochina, as embodied in Public Law 92–156, and rejecting an amendment to bar the use of funds for continued aerial bombing of Vietnam, Laos, and Cambodia, and reducing appropriations by \$2 billion.

October 10: Democratic presidential candidate George McGovern, in a televised speech, outlined his 7-point plan for disengagement from Vietnam. His points included: halting of bombing, total withdrawal from Vietnam, Laos, and Cambodia within 90 days; acceptance of North Vietnam's 1971 proposal to return POW's simultaneously with U.S. withdrawal; closing U.S. bases in Thailand after release of POW's; an expanded program of veterans' benefits; and granting amnesty to those who "chose jail or exile" over taking part in the war.

October 11: The French diplomatic mission in Hanoi was heavily damaged by U.S. bombing, and the chief of mission was killed. France issued a protest to the United States concerning the "incident," the United States apologized for the damages and casualties, but Secretary Laird implied that the cause might not have been U.S. bombs.

October 12: Assistant to the President Henry Kissinger returned to Washington after an unprecedented 4-day series of private talks with Le Duc Tho in Paris. Neither United States nor North Vietnamese spokesmen divulged any details of the latest talks.

October 20: The Philippine constitutional convention voted to grant President Marcos the powers of president and prime minister for an indefinite period, and to make itself the interim National Assembly upon approval by plebiscite of the new constitution, expected to be completed in 1973. The new constitution would take effect and limit Marcos' executive powers only when he could convene and call upon the interim Assembly to elect an interim president and prime minister.

October 21: President Marcos issued a martial law land-redistribution decree allotting $12\frac{1}{2}$ acres of land to tenant farmers in the rice- and corn-growing areas of the Philippines, and limiting holdings of landowners to $17\frac{1}{2}$ acres. The measure was estimated to have the potential of affecting 715,000 tenant farmers and would involve transfer of about 3.75 million acres of land, if qualified manpower and funds could be provided to carry it out.

October 22: The United States informed North Vietnam that the bombing would be restricted to areas south of the 20th parallel.

October 26: At a news conference, Assistant to the President Henry Kissinger confirmed a radio Hanoi broadcast which announced that a breakthrough had been achieved at the Paris peace talks on October 8. He outlined the main points in the draft agreement reached with North Vietnam, including: a cease-fire in place in South Vietnam; withdrawal of U.S. forces within 60 days; prohibition of reinforcement of troops; one-to-one replacement of existing military equipment; repatriation of military and civilian POW's within 60 days; accounting for all U.S. MIA's throughout Indochina; establishment of an "administrative structure," the Council of Reconciliation and Concord, to help maintain the cease-fire and supervise elections to be agreed upon through negotiations between the Vietcong and Saigon; setting up a 4-sided commission to guarantee terms of the agreement, and an international commission to which disagreements could be referred. Mr. Kissinger said that remaining points of dispute could be cleared up after one more negotiating session of 3-4 days' duration. Hanoi had asserted that the agreement was to be signed by October 31.

October 30: In a speech before the South Vietnamese Senate, Foreign Minister Tran Van Lam said that the North Vietnamese had to agree to withdraw their troops from the South and recognize the demilitarized zone before South Vietnam could sign a peace agreement. He also objected to the proposed Council of Reconciliation as a "coalition government in disguise."

November 1: In a radio address marking South Vietnam's National Day, President Thieu reiterated his objections to the draft agreement worked out by the United States and North Vietnam. He directed his main criticisms against the provision that U.S. troops would have to withdraw from South Vietnam while North Vietnamese troops would not have to withdraw across the demilitarized zone, and also against the 3-segment "administrative structure" to preside over the political settlement, which he characterized as a "dictatorial regime."

November 11: The Longbinh base, headquarters for the USARV since 1965, was turned over to the South Vietnamese Army, symbolizing the end of direct U.S. Army participation in the Vietnam war. Remaining in Vietnam were around 19,000 Army personnel in noncombat positions; 10,000 Air Force personnel, 1,300 Marines, 1,800 sailors, and 100 Coast Guardsmen.

November 20: Assistant to the President Henry Kissinger and Le Duc Tho began another round of secret negotiations near Paris.

November 20: The South Vietnamese Senate passed a resolution, 36 to 8, stating that South Vietnam should not adopt a peace agreement unless all North Vietnamese troops were withdrawn, the demilitarized zone was reestablished, and South Vietnam itself approved the agreement. This statement of support for President Thieu's position followed by 3 weeks a similarly worded resolution approved by the lower House of the National Assembly.

November 20: Defense Department spokesman Jerry Friedheim said that the accelerated 3-week supply buildup in South Vietnam was essentially completed except for "a few things" still on the way, and that U.S. military aid would revert to regular levels. Included in the new equipment were about 600 planes and helicopters, making the South Vietnamese air force the fourth largest in the world.

November 25: After six meetings, Assistant to the President Henry Kissinger and Le Duc Tho recessed their secret negotiations but announced that talks would be resumed on December 4. No announcements were made concerning what progress might have been made.

November 25: Results of elections in New Zealand indicated that the nation would have the fourth Labor Party Prime Minister in its history. Norman Eric Kirk, in an interview, said that domestic matters were likely to have highest priority under his administration. In foreign affairs, he was reported to favor withdrawal from SEATO and the recognition of China, and to be against French nuclear tests in the South Pacific and the presence of New Zealand training teams in Vietnam.

December 2: After 23 years of government by a Liberal/Country Party coalition, Australian voters replaced the government of Prime Minister William McMahon, with a Labor Party government headed by Gough Whitlam. Pending final voting results, the Labor Party was expected to have a majority of at least 12 seats in the 125-member House of Representatives.

December 4: Assistant to the President Henry Kissinger and Le Duc Tho resumed their private talks near Paris.

December 9: The Soviet Union and North Vietnam concluded a new agreement for economic and military aid in unspecified amounts. The public announcement of the pact said that "large-scale deliveries of goods, equipment and other property" for development of North Vietnam's economy would be made, and that the U.S.S.R. would "give necessary assistance in the strengthening of its defense capacity."

December 11: New Zealand Prime Minister Kirk announced that he would withdraw the remaining New Zealand army personnel, consisting of two training teams, from Vietnam by the end of

the year. In addition, he said that compulsory military training would be abolished, to be replaced by a voluntary service at higher pay; and that New Zealand would double its contribution to rehabilitation of the nations of Indochina, including North Vietnam, most of which would be channeled through the United Nations. Australia also announced final withdrawal of its remaining 140 instructors in Vietnam within the coming 3 weeks.

December 16: Assistant to the President Henry Kissinger held a press conference to clarify the status of the private peace negotiations with North Vietnam. He said that the talks had failed to reach an agreement because of changes and reintroduction of previously settled issues by Hanoi. Describing the agreement as "99 percent settled," he said that both parties would "remain in contact through messages" and would "then decide whether or when to meet again." He discounted the influence of Saigon on the disruption of the talks.

December 18: After a 2-month cessation of bombing north of the 20th parallel, the White House ordered resumption of bombing of the Hanoi-Haiphong area and the laying of new mines in ports north of the parallel. Press secretary Ronald Ziegler announced that bombing and mining would continue "until such time as a settlement is arrived at," and that the United States would not "allow the peace talks to be used as a cover for another offensive [by North Vietnam]."

December 18: King Phumiphol Aduldet appointed Field Marshal Thanom Kittikachorn as Thailand's new Premier, after picking 299 members of the National Assembly to function as Parliament under an Interim Constitution which ended the absolute rule of the National Executive Council headed by Marshal Thanom.

December 22: The Governments of Australia and New Zealand announced the establishment of diplomatic relations with the People's Republic of China, and the ending of their formal relations with Taiwan.

December 27: On the eve of the expiration date of his special powers, President Thieu signed a law requiring that each South Vietnamese political party create branches in at least one-fourth of the villages in half of the provinces, and in every city, within 3 months; run candidates in all National Assembly elections and win at least 20 percent of the seats, or be dissolved; and, if running candidates for President, win at least 25 percent of the total vote.

December 30: In a news conference, Deputy Presidential Press Secretary Gerald L. Warren, announced that negotiations between Henry Kissinger and Le Duc Tho would be resumed on January 8, that technical talks would be resumed January 2, and that the President had ordered a halt to bombing above the 20th parallel.

SOUTH ASIA ⁷

SUMMARY

Events in South Asia during 1972 were dominated by the evolving relationship between its two major powers, India and Pakistan. This relationship was in turn largely determined by problems left in the aftermath of the war of 1971, which had resulted in the creation of the new nation of Bangladesh. In addition, each of these three countries continued to face a bewildering array of domestic problems which could not be given increased priority without the creation of a more congenial international atmosphere on the subcontinent. Finally, partial readjustments were made by both India and Pakistan in their relations with other nations of the world.

The outstanding issues left over from 1971 concerned getting emergency relief to the millions of refugees generated during the hostilities; recognition of Bangladesh as a sovereign state; repatriation of the 90,000 Pakistani prisoners of war held by India (nominally on behalf of Bangladesh); and settlement of the decades-old dispute between India and Pakistan over Kashmir. None of these was finally solved during 1972, but some positive steps were taken.

The international sympathy aroused by the widely publicized suffering of the Bengali people was translated into a massive relief effort. This was carried out amidst charges of inefficiency and misdirection of activities, as well as corruption and incompetent distribution of relief supplies by the Government once they reached Bangladesh. The United States contributed nearly \$300 million in relief supplies during the year.

Official diplomatic recognition of Bangladesh became widespread in the first months of the year. By April, when the United States granted its recognition, most of the countries of the world—with the notable exceptions of Pakistan and China—had already done so. Pakistan's President Bhutto appeared to be making an attempt to sway public opinion in favor of recognition of Bangladesh in his addresses toward the end of the year, but in a November 13 Washington Post interview he conceded that such a step was as remote as ever. The thorniest issues were related to Pakistani insistence that recognition could not be granted until the Pakistani prisoners of war captured in Bangladesh and held in India were released; by Prime Minister Mujibur Rahman's counterinsistence that release could not be negotiated prior to recognition; and by India's reluctance to release a large body of people, including most of Pakistan's officer corps, in the absence of firm assurances that they would not be used in further acts of belligerence. As of the end of 1972, 13 months after the cessation of hostilities, these prisoners still remained in Indian camps.

⁷ Prepared by Dagnija A. Sterste, foreign affairs analyst.

President Bhutto and Prime Minister Gandhi met during the summer to forge a "new beginning" in relations. An agreement signed after 5 days of peace talks, and later ratified by the respective Governments, called for renunciation of the use of force, bilateral settlement of outstanding issues, a solution to the military aspect of the Kashmir dispute, and future meetings on repatriation of prisoners of war. By the end of December, troops in Kashmir had been withdrawn to the positions held by each country at the end of the 1971 war, and an exchange of all the prisoners taken by each country on the western border had been made.

Relations between Bangladesh and India were maintained on a cordial level; the latter granted considerable amounts of relief aid during the course of the year. A conference of economic officials of the two countries resulted in a meshing of their economic development plans, and a Treaty of Friendship, Cooperation and Peace relating to security and trade policies was signed. Indian troops in Bangladesh had been withdrawn in March.

The war situation in South Asia had temporarily diverted attention from domestic problems, but they had not been alleviated. In India, Prime Minister Gandhi's popular support was strengthened by the military victory; in domestic affairs, however, there was a paucity of positive actions to further the avowed Gandhi goals which had contributed to the Congress Party's 1971 election victory—among them the eradication of poverty. Economic and political unrest was manifested in secessionist and other activities in such states as Andhra Pradesh, and a severe drought during the summer resulted in a dramatic decrease in the country's agricultural production, despite optimistic earlier predictions that India would become a grain exporter.

In Pakistan, a number of social and economic programs were announced by President Bhutto as he attempted to consolidate his political position and dissociate himself from the militaristic image of previous governments. Although his first national budget devoted a larger proportion than ever to defense purposes, he disavowed the goals of Ayub Khan and Yahya Khan and placed them both under arrest. Government-announced reform programs envisioned land redistribution, labor welfare improvements, housing and public health programs, and reorganization of the management of much of the nation's industry. Pakistan also suffered a food shortage, and in the northwestern areas there were signs of regional factionalism and secessionist activity.

Bangladesh faced such severe problems of feeding a starving population and maintaining public order as the euphoria of newly won independence began to wear off that its political survival was uncertain. Prime Minister Mujibur Rahman had strong popular support; nevertheless, as he attempted to set up a political system with a degree of stability he had to cope with the possibility of opposition from the armed guerrillas who had helped to gain independence. A constitution providing a democratic form of government was approved, and steps toward nationalization of most of the country's industry were taken.

Relations of the South Asian nations with other nations appeared to be in a fluid state throughout the year, in keeping with the general international pattern of reconsideration of previous alignments. In-

dian-United States relations began on a negative note when India formally recognized North Vietnam, and was rebuked for so doing. The United States continued to be suspicious of Indian claims to neutrality while Indian-Soviet relations remained as cordial as they had been since the 1971 Treaty of Friendship. Despite the chill enshrouding United States-Indian relations, the United States continued to grant various forms of economic aid to India; and in December, a positive note was struck when statements expressing a mutual desire to improve relations were exchanged. The impetus for improvement may well have come from India's shortage of grain, resulting from the drought. Beginning December 4, India purchased 855,000 tons of grain from the United States, on a commercial basis rather than under Public Law 480. According to the Department of State, no shipments or sales of grain to India were made by the Soviet Union, which was experiencing its own shortage.

President Bhutto appeared to be guiding Pakistan along a more independent foreign policy as he formally withdrew from SEATO and the Commonwealth, granted recognition to several Communist countries, and made trips to Peking and Moscow, both of which resulted in agreements concerning economic aid. The United States announced resumption of aid to Pakistan beginning with surplus foodstuffs, but by the end of the year had not yet appointed an ambassador.

CHRONOLOGY

January 3: Pakistani President Zulfikar Ali Bhutto told a rally that he would unconditionally release Sheikh Mujibur Rahman, political leader of East Pakistan.

January 7: The State Department officially rebuked India for having raised relations with North Vietnam to ambassadorial level and questioned the capacity of India's representative to serve as the neutral chairman of the International Control Commission in Southeast Asia.

January 8: Pakistani President Bhutto placed former President Yahya Khan and former Army Chief of Staff General Abdul Hamid Khan under house arrest.

January 8: Despite the U.S. decision of December 6, 1971, to cut off \$87.6 million in economic assistance, State Department officials disclosed that India would continue to receive aid. Neither \$104 million in letters of credit, \$28 million in loans for specific development projects, nor \$90 million for the humanitarian relief of Bengali refugees still in India were terminated.

January 10: Arriving in Dacca from London and New Delhi, Sheikh Mujibur Rahman told a crowd of Bengalis that ties between Bangladesh and West Pakistan had been irrevocably severed. White House Deputy Press Secretary Gerald L. Warren announced that the United States was not considering diplomatic recognition of Bangladesh at that time.

January 12: After the promulgation of a provisional national constitution calling for a democratic parliamentary government,

Sheikh Mujibur Rahman resigned as President and was appointed Prime Minister of Bangladesh. He named the former head of the interim government and his full cabinet, composed entirely of Awami League members, to the new government.

January 14: Bangladesh Prime Minister Mujibur Rahman declared his resentment of the American Government's stance during the Indo-Pakistani war but said that the Bangladesh Government would be willing to accept aid from any nation if it was unconditionally offered.

January 14: Columnist Jack Anderson made public the text of a memorandum of a December 8, 1971 meeting of a National Security Council committee which revealed that Deputy Secretary of Defense David R. Packard had disagreed with Assistant to the President Henry Kissinger's efforts to aid the Pakistani cause during the Indo-Pakistani war within a policy of formal neutrality.

January 17: Prime Minister Mujibur Rahman issued a directive calling for a forfeiture of arms and ammunition from former Bengali guerrillas. The guerrillas, who reportedly numbered as many as 100,000, were known to be reluctant to disarm themselves until satisfied with the reformist character of the new government.

January 22: Pakistani President Bhutto announced that local elections would be held on March 15 and that provincial assemblies elected in December 1970 would meet on March 23. He added that while the assemblies would be permitted to function without government interference, the country would continue under martial law indefinitely in preparation for full democracy.

January 24: The Soviet Union became the first major world power to extend recognition to Bangladesh as a sovereign nation. On the same day, the Soviet party newspaper Pravda said that the Bangladesh Communist Party had emerged from the underground and had "actively joined the social and political life of the country."

January 24: A poll conducted by Louis Harris revealed that by 42 percent to 18 percent, the American public agreed with the proposition that "India was wrong to invade another country, no matter how wrong West Pakistan may have been in the way it ruled East Pakistan." President Nixon received a negative rating on his handling of the Indo-Pakistani war.

January 30: Pakistan withdrew from the Commonwealth after having been advised that Britain, Australia, and New Zealand would recognize Bangladesh. President Bhutto said that Pakistan would maintain bilateral relations with Britain and other Commonwealth members.

January 31: King Mahendra, under whose reign the country of Nepal became a constitutional monarchy committed to a foreign policy of nonalignment, died at the age of 51. He was succeeded by Crown Prince Birendra.

February 2: At the end of Pakistani President Bhutto's 3-day trip to Peking, it was announced that China had converted \$110 million in previous loans into grants and deferred payments on another loan, and had held out the possibility of military aid.

February 3: The International Red Cross warned that a serious food shortage was developing in Mirpur, a Bihari ghetto of Dacca. While Bengali guerrillas and regular troops were being sent into the area, Red Cross personnel were being refused permission to take in food and medical supplies.

February 4: According to a General Accounting Office report, the U.S. Air Force had delivered over half a million dollars worth of military spare parts to West Pakistan in July 1971 after Defense Department spokesmen had assured Congress that arms shipments had been stopped.

February 8: In a joint communique issued after 2 days of talks, Prime Ministers Mujibur Rahman and Indira Gandhi announced that Indian troops would be leaving Bangladesh by March 25. Intentions to collaborate on economic planning were expressed.

February 12: In a New York Times interview, Indian Prime Minister Gandhi declared that her country's foreign policy remained based on the principle of nonalignment despite last year's friendship treaty with the Soviet Union, and that India was anxious to improve her relations with other nations, particularly the United States.

February 14: The Senate Foreign Relations Committee received a notification from President Nixon that conditions in Pakistan were returning to normal and therefore congressional restrictions on U.S. military and economic aid to that country would no longer apply.

February 16: Secretary-General Kurt Waldheim outlined a massive U.N. relief program involving food distribution and refugee resettlement in Bangladesh, and asked for \$565 million in contributions which would be needed in 1972 to meet "the most immediate needs of the area so as to avert large-scale misery and hunger."

February 19: Administration officials announced that President Nixon was preparing to resume economic aid to Pakistan. The first step would be an agreement under which Pakistan would receive about \$15 million in surplus American foodstuffs.

February 19: China and Ceylon renewed for another year their 20-year-old barter agreement of trading Ceylonese rubber for Chinese rice.

February 25: Officials of AID said that \$21 million worth of food grains would be sent to Bangladesh in the next 2 or 3 weeks as part of the Agency's Food for Peace program and would be distributed through Bangladesh officials and the U.N. relief organization in Dacca.

March 1: President Bhutto announced a land reform program for Pakistan which he said would end the "curse of feudalism" and would affect over a million acres that had escaped previous reform programs. Land confiscated because it exceeded the new land-ownership ceilings would become public and available for leasing, the President said.

March 3: Charles W. Bray, a State Department spokesman, announced that a food agreement would be signed with Pakistan involving \$30 million worth of agricultural products. This was in response to requests to meet a 10-percent shortage in food supplies due to drought in Pakistan.

March 5: Prime Minister Mujibur Rahman ended a 4-day visit to the Soviet Union with pledges from the latter of economic aid for immediate emergency needs and for longer-range development projects in Bangladesh. A Soviet allocation of \$42 million originally intended for East Pakistan was released to Bangladesh, and the basis for regular political consultations between the two countries was outlined in a joint statement by Shaykh Mujib and Premier Aleksei N. Kosygin.

March 12: The remaining 5,000 Indian Army soldiers of what had been a 150,000-man force left Bangladesh after a ceremony addressed by Prime Minister Rahman. The final pullout was accomplished 13 days ahead of schedule.

March 12: State elections in India ended. Prime Minister Gandhi's New Congress Party gained control of 14 of the 16 states and one of the two union territories holding elections. Overall, the New Congress won 70 percent of the assembly seats. The Left Communist party (CPI-M) was greatly decreased, winning only a few seats; the Right Communists (CPI), a pro-Moscow party, came in second because of an electoral alliance with Mrs. Gandhi's party in most of the states.

March 16: President Bhutto announced that he would be willing to go to New Delhi for peace talks with Indian Prime Minister Gandhi and indicated in an interview that Pakistan might be ready to drop its 25-year claim to Kashmir. "If they believe that they have been deprived of the right of self-determination [the people of Kashmir] will rise * * *. Outside support cannot solve their problems," said President Bhutto.

March 18: President Bhutto returned to Pakistan after 2 days of meetings with Soviet Premier Kosygin and Party leader Brezhnev. According to the joint communique issued at the conclusion of the talks, the two countries agreed: to hold regular exchanges of views on matters of mutual interest; to resume the aid projects suspended in December; and—under a new agreement effective until 1975—to expand trade between the two countries.

March 19: India and Bangladesh signed a Treaty of Friendship, Cooperation, and Peace in which the two countries pledged immediate consultations and assistance should either be attacked or threatened with attack. In addition, agreements were signed to

revive trade and to take joint action on flood control and hydro-electric power.

March 26: Bangladesh Prime Minister Rahman announced in a broadcast that all jute, textile, and sugar mills, domestic banks, and domestic insurance companies would be nationalized, thus giving the Government control over the major industries of the nation. He also said that foreign trade and internal transport services would be gradually nationalized.

April 5: Secretary of State Rogers announced that Bangladesh Prime Minister Rahman would be receiving a message from President Nixon (carried by Herbert D. Spivack, principal American diplomatic officer in Dacca) officially advising him of formal diplomatic recognition by the United States. Secretary Rogers said that "we look forward to good relations with this new country."

April 6: Pakistani Foreign Secretary Iftikhar Ali disclosed that President Bhutto received a letter from Indian Prime Minister Gandhi, the first direct communication between the two leaders since last December, suggesting unconditional negotiations leading to peace talks at the highest level. He said that he expected Pakistan's response to be favorable.

April 8: Maurice J. Williams, Deputy Administrator of AID, said that the United States would commit \$130 million in relief assistance to Bangladesh before June 30. This sum represented the remainder of the \$200 million appropriated by Congress in March of which \$70 million had already been committed.

April 21: Zulfikar Ali Bhutto was sworn in as President of Pakistan under the Interim Constitution approved by the Assembly on April 17. He announced the lifting of martial law, which had first been imposed on Pakistan in 1958 by Field Marshal Ayub Khan, lifted in 1962, and reimposed in 1969 by President Yahya Khan. The ending of martial law had originally been planned for August 14.

May 22: Ceylon became the Socialist Republic of Sri Lanka, ending its status as a dominion, but remaining in the British Commonwealth. Mrs. Sirimavo Bandaranaike, formerly Prime Minister of Ceylon, became the first Premier of Sri Lanka. She nominated William Gopallawa, formerly Governor General of Ceylon, as President.

May 31: The State Department announced an agreement with Bangladesh providing a \$90 million grant for humanitarian relief purposes, and requiring neither interest nor repayment. The grant, coming out of a \$200 million appropriation for South Asian relief programs for fiscal year 1972, provided \$50 million for imports of bulk commodities, most of which would come from the United States, and \$40 million for engineering projects, the contracts for which would all be signed with U.S. construction firms.

June 8: Maurice Williams, Deputy Administrator of AID, disclosed in a Washington Post interview that he had ordered the suspension of U.S. relief subsidies to Pakistan in October of 1971 after ob-

serving that the funds were being used for military purposes during the war with East Pakistan. Williams' statement confirmed the findings of a GAO report prepared for the Senate Subcommittee on Refugees.

June 11: After 3 days of consultations by finance ministers and planning commissions in New Delhi, India and Bangladesh announced that they would mesh their economic development programs. Total Indian aid to Bangladesh for this year and next would amount to \$275 million for the 2-year period, the largest amount pledged to Bangladesh by any country, and the long-term development of both countries would be approached in the context of India's 5-year plan currently in preparation. A military cooperation agreement had been reached the previous week, under which India would assist in training and equipping Bangladesh's Armed Forces.

June 26: The State Department announced that an additional \$9.9 million in grants would be made available through AID to three American voluntary agencies for humanitarian relief programs in Bangladesh. The grant brought the total U.S. aid commitment to Bangladesh to about \$264 million.

June 28: Prime Minister Gandhi of India and President Bhutto of Pakistan began their peace conference in Simla, India, with promises to seek "a new beginning" in relations between their countries.

July 3: After 5 days of talks, Prime Minister Gandhi and President Bhutto signed an agreement on withdrawal of Indian and Pakistani troops to the positions held before last December's war, except for those in Kashmir. In addition, they mutually renounced the future use of force, called for bilateral settlement of all outstanding issues, and envisaged meetings on the repatriation of prisoners of war before the next Gandhi-Bhutto summit meeting to take place in Pakistan.

August 10: Deputy AID Administrator Maurice Williams announced the authorization of an additional \$19.2 million in wheat and edible oil for Bangladesh. The grant brought total U.S. relief contributions to Bangladesh to \$286.4 million since the beginning of 1972.

August 16: A major report by the Cabinet Committee on International Narcotics Control was released by the State Department. It noted that the third major complex of opium production, after Turkey and the "golden triangle" of Southeast Asia, was composed of India, Pakistan, Iran, and Afghanistan. Although opium from this area was produced mainly for consumption in Iran, the report said that a potential existed for the South Asia complex to become "important suppliers of opium for the international heroin market in the future, particularly if the primary complex falters."

November 8: Pakistan formally withdrew from the Southeast Asia Treaty Organization, leaving the Philippines and Thailand as the only Asian members of the alliance. The Pakistani Government also extended formal recognition to North Vietnam.

November 13: President Bhutto disclosed in a Washington Post interview that representatives of Pakistan and Bangladesh had been meeting secretly in New York, but that Pakistani recognition of Bangladesh was "as remote as ever." In addition, he acknowledged that the Chinese veto of Bangladesh membership in the United Nations had been exercised at the request of Pakistan.

November 15: Pakistan and East Germany announced that they would establish diplomatic relations. Pakistani officials said that the decision would in no way affect relations with West Germany.

November 30: Indian Foreign Minister Swaran Singh announced at the end of a 2-day foreign policy debate in Parliament that India would "do everything on our part to normalize relations with the United States." He said that the main differences between the two states which had caused relations to sink to a low level were U.S. policy in Vietnam, U.S. arms shipments to Pakistan, and former U.S. policy toward Bangladesh; and that these differences were of a "temporary nature."

December 1: An exchange of 540 Pakistanis held by India for 616 Indians held by Pakistan was made at Wagah, northwest of New Delhi. They were all the prisoners captured on the western front during the war between India and Pakistan in 1971.

December 1: Secretary of State Rogers responded to Indian calls for improved relations in a statement read by a spokesman, saying: "We welcome the positive note struck both in the statement by Foreign Minister Singh and that of President Giri, and reciprocate their expressed intentions regarding friendly and cooperative relations between India and the United States."

December 7: India and Pakistan announced that they had settled the question of the cease-fire line in Kashmir. A meeting between the army chiefs of the two countries resulted in a decision to draw the line at the positions held by each country at the end of the war in 1971. General Manekshaw of India said that withdrawal of troops from the remainder of the India-Pakistan border could now proceed without delay.

MIDDLE EAST AND NORTH AFRICA⁸

SUMMARY

In the Middle East and North Africa, Arab-Israeli relations dominated the region both in the search for peace and in incidents of hostility, and continued to be a focal point of international attention and concern. Other Middle Eastern events vying for world attention were the emergence of oil as a crucial factor in the growing worldwide energy problem, and a discernible trend toward Arab unity. The United States maintained its role as a negotiations broker, acting as the medium of communication between the Israelis and the Arabs, and as a nonparticipating consultant and advisor to the oil companies and the governments of the oil-producing countries in their conversations on oil problems.

Arab-Israeli dispute

There was little apparent progress toward an Arab-Israeli peace in 1972, though efforts to find a settlement continued both within the United Nations and on the part of the United States. The effort by several African leaders to start an Arab-Israeli dialog begun in 1971, foundered in 1972.

United Nations Special Representative Gunnar Jarring met with Arab, Israeli, and other national leaders at intervals during 1972, but there were no visible indications that his mediation efforts produced any breakthrough in the diplomatic stalemate over negotiation procedures or the timing of the withdrawal of Israeli forces. In mid-December, the U.N. General Assembly passed a resolution which sought a commitment from Israel to agree to the 1971 Jarring Aide Memoire (which listed a series of proposals to which Israel and Egypt were asked to agree, including a proposal that Israel withdraw to the pre-June 5, 1967, boundaries) and to agree to the principle that territory could not be annexed by force. The United States abstained on the vote. Israeli leaders rejected the resolution and threatened to withdraw their acceptance of U.N. Security Council Resolution 242 of November 1967, which declared that: the acquisition of territory by war was inadmissible; Israel should withdraw from occupied territories; belligerency should cease; the sovereignty of all states in the area should be recognized; international waterways should be opened; and the refugee problem should be settled.

Also in December, the General Assembly passed several resolutions concerning the Arab refugees and the U.N. Relief and Works Agency. The United States abstained on resolutions which "deplored" Israeli destruction of Arab homes in Gaza, and which asked Israel to repatriate those persons who had been displaced in 1967. It also voted

⁸ Prepared by Clyde Mark, analyst in Middle Eastern affairs.

against a resolution which recognized the right of self-determination for the Palestinian people.

The U.S. proposal of early 1971 for an "interim settlement" calling for reopening the Suez Canal after a partial Israeli withdrawal remained dormant in 1972. Egypt rejected a U.S. proposal to revive the "proximity talks"—the procedure used in the 1949 armistice negotiations whereby the Arab and Israeli delegations met in separate rooms while a neutral mediator acted as go-between, carrying proposals and counterproposals back and forth.

Following Egyptian termination of the Soviet military mission in July, it appeared that Egypt, now lacking Soviet diplomatic support, protection, or offensive weapons, would be vulnerable and receptive to a serious peace overture. Some Middle Eastern observers had hoped that the United States might be able to take advantage of this favorable development by offering a new peace initiative—though it was recognized that such an initiative would have to wait until after the U.S. elections in November. Speculation was further fueled by Secretary of State Roger's remarks 2 days before the elections to the effect that the United States would try to "get negotiations started," and that it would seek full implementation of Security Council Resolution 242. The United States, however, made no new proposals, publicly at least, before the end of the year, at which time rumors were circulating through the Middle East that President Nixon and/or Assistant to the President Henry Kissinger, would visit Tel Aviv and Cairo early in 1973.

In the meantime, while discussions of the Arab-Israeli dispute were being carried on in the United Nations and between the United States and the parties concerned, the familiar pattern of war-threatening statements and incidents continued throughout the year. The Soviet-Egyptian communique issued in April, at the end of President Anwar al-Sadat's Moscow visit, stating that Arabs "have every right to use other means" to regain their territory, was interpreted by many at the time to mean Soviet approval of, or at least acquiescence in, an Arab decision to go to war with Israel.

The threatening incidents included: the Israeli raid into Lebanon in February; the Arab guerrilla hijacking attempt at Israel's Lod airport in May and the attack later that month on the airport itself; the Israeli kidnaping of Syrian and Lebanese officers in June; the attack of the Palestinian terrorist organization Black September on the Israeli Olympic team at Munich, Germany, and the subsequent Israeli raids on Lebanon and Syria in September; the Black September group's hijacking in Yugoslavia in October; the Syrian-Israeli clash in November; the letter and parcel bombs sent to various parts of the world beginning in July and continuing intermittently through December; and the Black September group's seizure of the Israeli Embassy in Bangkok in December.

In the course of the year, the U.N. Security Council passed three resolutions condemning Israel for its actions against Lebanon and Syria, but failed to pass a fourth because of a U.S. veto. In April, the Security Council increased from 4 to 21 the number of U.N. Truce Observers patrolling the Israeli-Lebanese border.

Arab Unity

A longstanding but thus far unrealized goal of the Arab States has been to achieve political, economic, and military cooperation: In a phrase, Arab unity. During 1972, there were several gestures which appeared to be positive moves toward Arab unity, dissolving some of the parochial divisions which had stifled unity in the past.

The National Assembly of the Federation of Arab Republics, composed of Syria, Libya, and Egypt, held its first meeting in March, a demonstration of some progress toward the plan to coordinate policy and action. In August, Libya and Egypt announced that their two countries would merge by September 1973, forming one country with a single government. There were reports that Syria would also join the single state.

In October, the People's Democratic Republic of Yemen (south) and the Yemen Arab Republic (north) ended their sporadic warfare and announced that their two countries would merge to form a single state. The Shaykhdom of Ras al-Khaimah joined the Union of Arab Emirates in February, becoming the seventh member of the confederation formed in 1971 of the former "Trucial States."

Oil in the Middle East and North Africa

In recent years, the governments of the oil-producing states had been asserting their authority over production levels, pricing, and managerial control of the oil operations in their countries, a trend which caused an erosion of the oil company domination of the past. The international oil industry continued to be in a state of transition through 1972.

At a Beirut meeting in March, the members of the Organization of Petroleum Exporting Countries or OPEC (Abu Dhabi, Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and Venezuela), decided to begin "participation" negotiations with Western-owned oil companies operating in their countries. "Participation" meant that each government would acquire a share in the ownership and control of the oil industry operating in its own state. Libya and the foreign oil companies operating in that country agreed in May to price adjustments which reflected the revaluation of the U.S. dollar. The Iraqi Government nationalized the Western-owned Iraq Petroleum Co. (IPC) in June after several years of futile negotiations between the Government and the company over revenues and production levels. An IPC-instigated boycott of Iraqi oil was partially defeated when France and the Soviet Union signed agreements with the Iraqi Government to purchase oil from fields owned by IPC.

Much of the interest in oil affairs focused on the Persian Gulf area, since at least one-half of the world's known reserves are in the Persian Gulf states of Kuwait, Saudi Arabia, Iran, Iraq, Abu Dhabi, Bahrain, Qatar, Oman, and Dubai.

Oil continued to be an instrument of politics, particularly for Arab governments and groups which were neutralist or strongly anti-Western. The Black September terrorist group claimed responsibility for the fires which destroyed the oil refinery complex at Trieste, an

action supposedly directed at West Germany, the destination of the oil, because of German support for Israel. Many nationalistic Arab leaders and spokesmen proposed instituting an oil embargo against Western countries following policies with which they did not agree, such as the United States in connection with its support for Israel. But not all Arabs supported the embargo threat. Saudi Arabia's King Faysal said he would not abide by an embargo against the United States, and in September, he proposed that the United States and Saudi Arabia cooperate jointly in oil investments.

Other International Developments in or Relating to the Middle East and North Africa

The withdrawal from Egypt of about 15,000 Soviet advisors and technicians and of at least some of their sophisticated weaponry, such as the MiG-23 aircraft, raised a question about the status of the United States-Soviet Union power balance in the Mediterranean.

The balance-of-power question arose also in connection with the Persian Gulf area. The British withdrawal from the Gulf in 1971 created a power vacuum which many observers believed would be filled either by the United States or by the Soviet Union. The United States maintained its small naval facility on Bahrain, but the Persian Gulf states, primarily led by Iran, opposed any moves by foreign countries which would open the Gulf to great-power confrontations.

Other U.S. interest in the area was reflected in President Nixon's statement to Congress on June 1 that while in Moscow he had reaffirmed "the American people's commitment to the survival of the State of Israel." In July, Secretary of State William Rogers visited Kuwait and Yemen during his around-the-world trip. The United States also reestablished diplomatic relations with Sudan and Yemen and arranged for an exchange of diplomatic "interest sections" with Iraq.

Uganda broke relations with Israel in March, accusing the Israeli diplomatic mission of espionage. The Organization of African Unity passed a resolution in June which called upon Israel to withdraw from the occupied territories and to renounce the annexation of territory by force.

Significant Internal Developments in the Countries of the Area

ISRAEL

Prime Minister Golda Meir's announcement in January 1972 that she would not be a candidate in the 1973 elections dominated Israeli politics, and started the search for her successor. Israel's economic problems were eased somewhat by an extension of \$300 million in military credits and a grant of \$50 million in security assistance by the United States.

EGYPT

The Egyptian internal political atmosphere had been unsteady since the death of President Nasser in 1970. Egypt changed cabinets twice in 1972, in January and November, and there were more student demonstrations against the Government's "no war" policy and in favor

of governmental reforms. The withdrawal of the Soviet military mission opened a debate on Egyptian foreign policy, and the political problems envisioned in the proposed merger with Libya introduced questions about the organization and structure of the Egyptian Government and the Arab Socialist Union, Egypt's political party.

MOROCCO

A new Moroccan constitution was approved in a March referendum. Prime Minister Lamrani formed a new government in April, but the opposition parties refused to join the progovernment coalition. One opposition party did join the coalition government formed by the new Prime Minister, Ahmad Uthman, in November.

In August, King Hassan survived an attempted assassination which involved several members of the air force. One victim of the attempt was Defense Minister Oufkir, who apparently committed suicide, either because he would have been implicated in the plot or because he had failed to protect the King.

TURKEY

The government crisis that began in Turkey in 1971 remained unresolved in 1972. In April, Prime Minister Nihat Erim resigned. In May, Ferit Melen formed a new government similar to Erim's in that it was an "above party" coalition. Several cabinet resignations in November led to another crisis and a resumption of the political party maneuverings which had hampered previous governments. The Army issued another memorandum in December, similar to the Army statement of March 1971, which said in effect that if the politicians did not settle their political differences and institute reforms, the Army would intervene.

CYPRUS

The Greek-Turk confrontation on Cyprus remained stalemated. Greek-Turkish tensions rose when a shipment of Czech arms believed destined for the Greek Cypriot community was discovered, but the crisis was averted when the weapons were turned over to the United Nations Force in Cyprus for safekeeping. Archbishop Makarios, President of Cyprus, was challenged by the Bishops in his church and by Cypriot political leaders, each group suggesting that he give up either his position as head of the Greek Orthodox Church in Cyprus or the Presidency, since each believed he could not give his full attention to both jobs at once.

CHRONOLOGY

January 2: President Nixon told an interviewer that the United States was committed to maintaining the Arab-Israeli military balance. Defense and State Department officials said on January 13, 1972, that a November 1, 1971, "memorandum of understanding" provided for U.S. arms shipments to Israel. The New York Times of February 6, 1972, reported that Israel would receive 42 F-4 Phantoms and 90 A-4 Skyhawks over the next 2 to 3 years.

January 13: United Nations Special Representative Gunnar Jarring began a series of separate meetings with Israeli and Arab representatives in New York. He also held discussions with Arab and Israeli leaders in March, May, August, and October.

January 17: Egyptian President Anwar al-Sadat announced the formation of a new cabinet, headed by Dr. Aziz Sidqi as the Prime Minister.

January 18: Students from Cairo, Ain Shams, Alexandria, al-Azhar, and other Egyptian universities began a week of demonstrations, general strikes, seminars, and discussions with government officials, to register their disapproval of peace talks with Israel.

January 18: It was announced in Beirut that Lebanon and France had signed an arms sale agreement. (Lebanon had signed similar agreements with the Soviet Union and Belgium in late 1971.)

January 21: Israeli Prime Minister Golda Meir said she would not seek reelection in the 1973 general elections.

January 24: Shaykh Khalid ibn Muhammad al-Qasimi, ruler of Sharjah, was killed during an attempted coup d'état led by the former ruler, Shaykh Saqr ibn Sultan al-Qasimi, who was deposed in 1965. The coup attempt was stopped by the troops of the United Arab Emirates, of which Sharjah is a member. The next day, Shaykh Sultan ibn Muhammad al-Qasimi was elected to succeed his brother.

January 30: The Popular Front for the Liberation of the Occupied Arab Gulf (PFLOAG) and the National Democratic Front for the Liberation of Oman and the Arab Gulf (NDFLOAG) merged to form the Popular Front for the Liberation of Oman and the Arab Gulf (PFLOAG). PFLOAG described itself as socialist, progressive, and revolutionary, and opposed to what it termed the capitalist, reactionary, and imperialist regimes in the Persian Gulf and the eastern Arabian Peninsula.

February 10: The Shaykhdom of Ras al-Khaimah joined the United Arab Emirates, thus becoming the seventh member of the confederation of states in the Persian Gulf.

February 11: Amid mounting tensions on Cyprus, the Greek Government asked President Makarios of Cyprus to surrender a shipment of Czech arms (believed to be destined for the Greek Cypriot irregular forces on Cyprus) to the Greek-officered National Guard.

February 15: France and Israel agreed on the repayment of Israeli funds originally intended for 50 Mirage V jet aircraft. (The planes were embargoed by France after the war of June 1967.)

February 22: The Crown Prince and Prime Minister of Qatar, Shaykh Khalifah ibn Hamad al-Thani, seized control of the Government from his cousin the Amir of Qatar, Shaykh Ahmad ibn Ali al-Thani.

February 25: Israeli planes, tanks, and troops, invaded southern Lebanon and destroyed 40 to 50 homes around the village of Ainata.

February 27: The U.N. Security Council passed Resolution 313 demanding Israeli withdrawal from southern Lebanon and an end of the ground and air attacks against Palestinian guerrillas and Lebanese villages. Israeli troops withdrew from Lebanon on February 28.

February 29: U.N. Special Representative Gunnar Jarring returned to New York after visits to Amman, Cairo, and Jerusalem.

March 1: Despite opposition attempts to organize a boycott of the national referendum, Moroccan voters approved King Hassan's reform constitution. Of the 4.9 million eligible voters, 4.5 million cast ballots; 98.8 percent favored the new constitution.

March 2: The Holy Synod of the Cyprus Orthodox Church asked President Makarios to resign. The next day, the Parliament asked Makarios to remain as President.

March 8: President Nixon signed into law the Foreign Assistance Appropriation Act for fiscal year 1972 (Public Law 92-242) which provided \$50 million in security-supporting assistance and \$300 million in military credit assistance for Israel. (The authorization for foreign assistance, Public Law 92-226, had been signed on February 7.)

March 8: President Makarios of Cyprus surrendered control of the shipment of Czech arms to the United Nations Force on Cyprus.

March 11: The 60-member National Assembly of the Federation of Arab Republics (Syria, Libya, and Egypt each elected 20 members) held its first meeting at its headquarters in Heliopolis, Egypt.

March 12: Saudi Oil Minister Ahmad Zaki al-Yamani told the Beirut meeting of the Organization of Petroleum Exporting Countries (OPEC) that several international oil companies had agreed in principle to partnership arrangements with the countries. Under the arrangements being negotiated, the companies and the countries would share ownership and operating responsibility for the oil concessions, previously fully owned by the companies.

March 15: King Hussein of Jordan proposed the formation of a United Arab Kingdom to be composed of a Jordanian region and a Palestinian region (the West Bank), each with an independent legislature, cabinet, and courts, and with equal representation in a federal legislature. The central government under the King would be responsible for security and foreign relations, leaving the two regions autonomy over other affairs.

March 23: Israeli military advisors were expelled from Uganda after the Ugandan Government accused them of subversion and spying.

March 28: Elections for municipal and local government officials were held in 10 towns in the Israeli-occupied West Bank. A second series of elections in 12 other towns were held on May 2. According

to Israeli statistics, over 80 percent of the eligible voters cast ballots in the elections.

April 6: Egypt broke diplomatic relations with Jordan, alleging an Israeli-Jordanian conspiracy to implement "imperialist" designs in Palestine through King Hussein's proposal of March 15.

April 9: Iraq and the Soviet Union signed a 15-year treaty of friendship and cooperation which called for cooperation in science, the arts, health, education, commerce, and several other areas, including "coordinating their positions in the interests of removing" threats to peace or violations of peace.

April 12: Prime Minister Muhammad Karim Lamrani formed a new government with the approval of King Hassan of Morocco. Despite the attempts by the King and the Prime Minister to form a coalition government, the opposition forces refused to join the new cabinet.

April 13: The Egyptian Government and a group of West European banks signed a financial agreement to build the Suez Gulf-to-Mediterranean Sea oil pipeline. It was estimated that the 210-mile "Sumed" pipeline would cost \$330 million to build and would be completed in 2 years.

April 15: Turkey's Prime Minister Nihat Erim resigned. Minister of Defense Ferit Melen was named acting Prime Minister until a new government could be formed.

April 16: Lebanon began general elections for the Parliament. The second phase of these elections took place on April 23, and the third on April 30.

April 19: In accordance with the text of a consensus reached by the U.N. Security Council, the number of United Nations Truce Observers along the Lebanon-Israel border was increased from 7 to 21.

April 29: President Cevdet Sunay of Turkey asked Senator Suat Hayri Urquplu to be the Prime Minister and to form a new cabinet.

April 29: The Soviet-Egyptian communique issued at the end of President Anwar al-Sadat's Moscow visit said the Arab states "have every right to use other means" to regain the Israeli-occupied territory.

May 3: The Libyan Government and oil companies operating in Libya agreed to a 8.49 percent increase in oil revenues to compensate for the devaluation of the dollar. The increased payments were retroactive to January 20, 1972.

May 8: Four members of Black September threatened to blow up a hijacked Belgian airliner at Lod Airport in Israel if 300 Palestinian Arabs were not released from Israeli prisons. The next day, two of the Arabs were killed and two captured when Israeli troops stormed the plane.

May 13: Turkey's President Cevdet Sunay rejected the cabinet proposed by Prime Minister Designate Suat Hayri Urquplu. Urquplu resigned as Prime Minister the same day, and Ferit Melen, the acting Prime Minister was asked to form a government on May 15.

May 22: Turkey's President Cevdet Sunay accepted Prime Minister Melen's coalition cabinet.

May 27: Lebanese President Sulayman Franjiyah approved the new cabinet of Prime Minister Saib Salam, formed following the general elections held between April 16 and 30.

May 30: Three terrorists killed 25 and wounded 82 in a machinegun and handgrenade attack at Lod Airport in Israel. The three Japanese nationals were members of the "United Red Army" and were associated with the Popular Front for the Liberation of Palestine. The attack occurred in a customs waiting room after an Air France flight from Rome.

June 1: Iraq nationalized the holdings in the northern Iraqi oil fields of the Iraq Petroleum Co. (IPC).

June 1: In his report to Congress on his visit to the Soviet Union, President Nixon said: "I reiterated the American people's commitment to the survival of the State of Israel, and to a settlement just to all the countries of the area." The President also said that the United States and the Soviet Union agreed to support the U.N. peace mission.

June 2: Syria nationalized the IPC pipeline and installations which transported Iraqi oil to Syrian and Lebanese ports.

June 7: Iraq and the Soviet Union signed an agreement calling for development of economic relations and for the sale of Iraqi oil to the Soviet Union.

June 14: The Organization of African Unity unanimously adopted a resolution calling for Israeli withdrawal from all the occupied territories and for an Israeli rejection of annexing territory gained through force.

June 18: Iraq and France agreed to a 10-year sale, at world commercial prices, of Iraqi oil from the nationalized Kirkuk field. France was limited to 23.75 percent of the production, the same amount of the nationalized French interest in IPC.

June 21: Israel attacked Lebanon and kidnapped several Lebanese and Syrian officers.

June 26: The U.N. Security Council passed a resolution which condemned Israel for the attack on Lebanon and called for the release of the abducted Lebanese and Syrian officers. On July 21, the Security Council passed a resolution reiterating the demand for the release of the officers.

July 1: The Yemen Arab Republic and the United States reestablished diplomatic relations, broken since June 1967. Secretary of State William P. Rogers met in Sanaa with Prime Minister and Minister of Foreign Affairs Muhsin al-Ayni and with Republican Council President Abd al-Rahman al-Iryani.

July 2: Secretary Rogers flew to Kuwait from Yemen.

July 8: Ghassan Kanafani, a leading spokesman for the Popular Front for the Liberation of Palestine, was assassinated in Beirut by a bomb in his automobile. Bassam Abu Sharif, Kanafani's successor as editor of al-Hadaf, the PFLP newspaper, was injured by a letter bomb on July 25. Several parcel bombs and auto bombs aimed at other Palestinian leaders were also discovered in July.

July 16: Libya announced the installation of the new Prime Minister, Abd al-Salam Ahmad Jallud, and his Cabinet. The reported rift within the Revolutionary Command Council was apparently settled in favor of the civilian-technocrat faction and against those RCC members who favored a military-dominated Cabinet.

July 18: Egyptian President Anwar al-Sadat announced that the Soviet military advisors stationed in Egypt were being sent home. (Most sources estimated there were some 5,000 advisers in Egypt, and some 10,000 to 15,000 other Soviet military personnel.)

July 27: Iraq and the United States agreed to exchange diplomatic "interest sections." Two Americans were assigned to the Belgian Embassy in Baghdad and two Iraqis were assigned to the Indian Embassy in Washington. Iraq and the United States had not been officially represented in their respective capitals since 1967.

August 1: Iraq and Sudan reestablished diplomatic relations, broken since the abortive coup in Sudan in July 1971.

August 2: Muammar al-Qadhafi of Libya and Anwar al-Sadat of Egypt signed an agreement to begin preparations for the merger of their two countries by September 1, 1973.

August 4: King Faysal of Saudi Arabia said he did not support the proposal made by some Arab spokesmen to use an oil embargo against the United States to force a change in American Middle Eastern policy.

August 5: The Palestinian organization Black September said it blew up the oil tanks and refinery at Trieste because the oil was going to West Germany, which supported Israel.

August 16: In an apparent coup attempt, Moroccan Air Force planes fired on a plane carrying King Hassan back to Rabat from a visit to France. The King was unhurt. The same day, the Moroccan Defense Minister, Gen. Muhammad Oufkir, apparently committed suicide, either because he had been implicated in the plot or because he believed he had failed his King.

September 5: Eight members of the Black September stormed the Israeli team quarters at the Munich Olympics, killed two Israelis, and held nine as hostages for the release of 230 Arabs being held in Israeli prisons. During an airport gun battle the next day, the nine Israelis, five Arabs, and one German policeman were killed, and three Arabs were arrested.

September 10: The United States vetoed a U.N. Security Council resolution condemning the Israeli air attacks on Lebanon and Syria, which began on September 7, because the resolution did not also condemn terrorism.

September 16: Israeli armored and infantry units invaded southern Lebanon. (They withdrew on September 17.)

September-October: The wave of letter and parcel bombings continued. An Israeli diplomat was killed in London on September 19. A Beirut postal worker was killed on September 25. Bombs were mailed from the Netherlands, Yugoslavia, India, Malaya, and Israel to Israeli and Arab diplomats, leaders, and government officials, and leaders of the Palestine resistance movement, and to other government leaders in many cities around the world: Beirut, Cairo, Jerusalem, Tel Aviv, Paris, Kinshasa, Brazzaville, Algiers, Amman, London, New York, and Brussels.

October 27: General Ahmad Ismail replaced General Muhammad Ahmad Sadiq as Minister of War of Egypt.

October 28: Prime Minister Muhsin al-Ayni of the Yemen Arab Republic and Prime Minister Ali Nasir Muhammad of the People's Democratic Republic of Yemen signed an agreement to unite their countries within a year. A separate statement called for the withdrawal of troops from along their borders and an end to the fighting which began in September.

October 29: A Lufthansa airliner en route from Istanbul to Frankfurt was hijacked by three Arabs and forced to Zagreb, Yugoslavia, where the 13 passengers and the crew were held as hostages for the release of the three remaining terrorists involved in the Munich incident. The Federal Government of Germany flew the three terrorists to Zagreb, where they joined the airliner for a flight to Tripoli, Libya. The hostages were released unharmed the next day.

October 31: A Beirut newspaper reported that the Soviet Union and the People's Democratic Republic of Yemen had signed a 20-year treaty of friendship in June 1972.

November 4: In Turkey, the Republican People's Party withdrew from the coalition government which was formed after the March 1971 Government crisis. Many prominent members of the RPP, including former Prime Minister Ismet Inonu, resigned from the party in protest over the withdrawal.

November 5: Secretary of State Rogers said in an interview that the United States would try to "get negotiations started" between Egypt and Israel. The Secretary also said the United States would seek "a commitment to full implementation" of U.N. Resolution 242 of November 1967.

November 9: Syrian and Israeli forces clashed on the Golan Heights in the largest battle since the cease-fire of August 1970.

November 19: A new government was installed in Morocco under Prime Minister Ahmad Uthman. The opposition party Mouvement Populaire joined the Government, but two other opposition parties, Istiqlal and the National Union of Popular Forces, did not.

December 10: The Command Council of the Turkish Armed Forces issued a statement reminding the Turkish Government of the Army's memorandum of March 12, 1971, stating in effect that the Army would seize the Government unless political stability was restored. The new Army statement also said that the political amnesty being considered by the Government was not compatible with the Army's wishes, and that the Army was becoming impatient with the lack of progress in instituting reforms in the Government.

December 13: The U.N. General Assembly adopted seven resolutions on the United Nations Relief and Works Agency (UNRWA) for Palestine refugees, which had been considered in November by the Assembly's Special Political Committee. These included one which condemned the Israeli destruction of Arab homes in Gaza, one which sought repatriation of the 1967 refugees, and one which recognized the right of self-determination for the Palestinian people.

December 15: The 27th U.N. General Assembly passed Resolution 2949, which (1) "deplored" Israel's rejection of the Jarring Aide Memoire of February 1971 and G.A. Resolution 2799 of December 1971, and (2) asked Israel to renounce the annexation of territories acquired through force.

December 28: Four members of the Black September organization seized the Israeli Embassy in Bangkok, Thailand, held six Israelis hostage, and demanded the release of some 30 Arabs held prisoner in Israel. After several hours, the Israelis were released unharmed, and the Arabs flew to Cairo.

AFRICA SOUTH OF THE SAHARA⁹

SUMMARY

The political events of Subsaharan Africa in 1972 reflected both the diversity of a continent composed of over 30 nations (and many times that number of ethnic and linguistic groups) and the difficulties attending efforts to cope with the problems of development. There were changes of government in several countries through civil war and coups d'état as well as through constitutional procedures. A number of countries, in the interest of nationalism, took hostile action against religious sects, or against foreign nationalities and companies—including those of the United States. There were population shifts due to forced emigrations with their accompanying hardships; drought and poor harvests in some areas threatened additional emigrations. The longstanding problems of African areas where white minorities controlled black majorities continued to evoke concern, not only in most of Africa but also in many other parts of the world.

However, despite the disruptive climate in certain parts of Africa, efforts were made to solve some of the problems with which the African nations generally were beset. African conferences were held, and various mutual defense, economic, and cultural agreements were signed.

Significant Developments in Certain Countries South of the Sahara

SUDAN

The 17-year-old civil war in the Sudan, waged by the black Anyanya southerners against the northern Muslim Arabs, ended when a peace agreement was ratified in Addis Ababa on March 27. The war was estimated to have caused 1.5 million fatalities; it left the country economically drained. The terms of peace provided local autonomy for the southern provinces, including a self-governing regional assembly and an integrated army of former Anyanya soldiers and federal troops. Massive economic assistance was needed as refugees returned home to begin the task of postwar reconstruction. In June, Uganda and the Sudan signed a mutual defense agreement, and in July the United States and the Sudan resumed the diplomatic relations which had been broken off at the time of the 1967 Arab-Israeli war.

BURUNDI

At the time the Sudan was endeavoring to adjust to internal peace, the small landlocked Republic of Burundi was convulsed by a violent civil war. Fighting erupted in May when former King Ntare V returned from exile and was apparently detained on charges of seeking to overthrow the government of Michel Micombero. Ntare's death,

⁹ Prepared by Susan Mowle, analyst in African affairs.

reportedly while monarchists were attempting to free him from detention, sparked the uprising. The majority Hutu, aided by some Tutsi, revolted against the ruling minority Tutsi Government. The combined rebellion and retaliation left thousands dead. The Burundi Government reported to the United Nations that by July, 80,000 had died and 500,000 were in "great suffering." Independent press reports suggested even higher casualties, and it was reported that sporadic killings continued.

UGANDA

In Uganda, the government of General Idi Amin took several strong nationalistic measures throughout the year. In March, the Israelis were expelled and the Israeli Embassy was closed down. In August, Uganda ordered the expulsion of all Asians holding British passports, most of whom had lived in Uganda for generations, and later extended the order to all Asians not holding Uganda citizenship. Between August and November, more than 50,000 Asians were forced to leave their possessions and were airlifted out of the country—many to England. Widely condemned abroad, the move seemed popular in Uganda, where Asian economic prominence was deeply resented. Amin appropriated the Asian businesses without compensation and at the end of the year was in the process of turning them over to Ugandans.

In the course of the year, Americans and British were also the target of hostile acts in Uganda. A former Peace Corps volunteer was killed by Ugandan troops, and a U.S. diplomat and his wife were harassed by Ugandan soldiers. The United States withdrew the Peace Corps volunteers, and in August Americans were advised not to travel to Uganda. In September, the United States announced that it was holding up a \$3 million loan to Uganda following anti-Jewish statements by President Amin.

In December, following British suspension of economic credits and technical assistance programs, General Amin nationalized 41 foreign firms, including 34 British companies and tea estates and one American firm. He also announced that all Britons who did not wish to remain in that country indefinitely were to leave by the end of the year. Upon the nationalization of the American firm, the State Department again indicated that the United States might withhold aid to Uganda if compensation was not paid.

Uganda also waged a short border war with Tanzania. On September 17, Ugandan spokesmen announced that 1,000 Tanzanian troops had invaded its territory. Uganda rushed troops to the border and retaliated with the aerial bombing of several Tanzanian villages. Tanzania denied involvement and also deployed troops to the Ugandan-Tanzanian border. Later news reports indicated that the invaders were supporters of former Uganda President Obote who were seeking to overthrow the Amin Government. Skirmishes continued, but by October 5 a peace agreement was negotiated between the two countries at Mogadiscio, Somalia, with an agreement for mutual troop withdrawals from the border areas.

MALAWI

A forced emigration took place in still another east African nation: Malawi. It was reported that 23,000 Jehovah's Witnesses fled that

country following a Government campaign against the sect, which involved murders and beatings; 19,000 were estimated to have gathered at the Miale refugee camp near the Zambia border, where lack of food and sanitation was fostering a high mortality rate.

Significant developments in other countries

Apart from the disputes discussed above, several inter-African conflicts were resolved during 1972. A month-long dispute between Gabon and Equatorial Guinea was settled through the joint intervention of Zaire and Congo-Brazzaville. Ghana and Guinea agreed to normalize relations, which had been strained since 1966 when Guinea provided a refuge for deposed President Kwame Nkrumah of Ghana. Libya, which had furnished a base of operations for the FROLINAT guerrilla organization opposed to the government of President Tombalbaye of Chad, agreed to return to Chad any FROLINAT guerrillas still in Libya.

Drought and poor harvests, over a period of 4 years, threatened Senegal, Mauritania, Mali, Upper Volta, Niger, and Chad with severe famine conditions which could force transnational migrations and create conditions conducive to political problems as ethnic groups compete for scarce resources.

Besides civil war, various other methods were used to bring about changes in government in certain African nations. Ghana experienced a military coup d'état in January and the Government of Dahomey was overthrown in October. In April, Abeid Amani Karume of Zanzibar was assassinated. Malagasy President Tsiranana turned the Government over to General Ramanatsoa following student and worker strikes in the spring, and in December Zambia took the final constitutional steps to become a one-party state.

Apartheid and territorial problems

SOUTH AFRICA

The Republic of South Africa's policies concerning apartheid and Namibia (its former trust territory, South West Africa) continued to receive attention both at home and abroad. The U.N. Security Council meeting in Addis Ababa, Ethiopia, January 28–February 4, condemned South Africa for continuing its apartheid policy. Within South Africa itself, apartheid was criticized by two diverse groups. In June, white students at the English-speaking universities, demonstrating against apartheid education policies, were violently dispersed by police. Subsequently, the Government banned most political meetings and processions at university centers. In August, South African labor unions—in direct opposition to the Government's apartheid laws—called for the inclusion of blacks (who are prohibited by law from forming their own unions). According to all reports, the motives of the unions were not altruistic; they sought to prevent the lower-paid black Africans from undermining the privileged position of white workers.

Considerable concern also centered around conditions in Namibia and the question of its independence. In 1971, the International Court of Justice had terminated South Africa's mandate over South West

Africa, which the United Nations assumed in 1966. South Africa, however, refused to acknowledge the transfer. On the basis of the U.N. Security Council resolution adopted in February 1972, U.N. Secretary General Kurt Waldheim visited South Africa to discuss these problems. When he arrived in Namibia, he was greeted by demonstrators demanding that South Africa yield control of the territory. Following the Waldheim visit, South Africa agreed to allow a special U.N. envoy to visit Namibia to talk with all parties concerned about the conditions for Namibia's independence. In the fall, the U.N. Secretary General's special representative, Alfred Escher, visited Namibia; he filed his report November 16. Most African delegates to the United Nations reacted negatively to the report because it failed to outline a detailed plan for the independence of the territory and because South Africa refused to agree to a U.N. presence in Namibia. However, other delegates claimed that concessions had been made on the questions of separate development, assembly, and representation, and on December 6 a Security Council resolution was passed renewing the Secretary General's mandate to pursue the dialog with South Africa on the question of Namibia.

PORTUGUESE TERRITORIES

The guerrilla wars against Portugal in Portuguese Guinea, Mozambique, and Angola continued in small clashes. Portuguese Guinea (Guinea-Bissau), where two-thirds of the countryside was reported under the control of the insurgent organization African Independence Party of Guinea and Cape Verde (PIAGC), held National Assembly elections as a step toward declaring independence and demanding international recognition. There were periodic reports of guerrilla activity and armed resistance in various provinces of Mozambique, and in October the Mozambique Liberation Front (FRELIMO) announced the opening of a fourth front against Portuguese forces. In December, following a meeting in Zaire, the main liberation movements of Angola, the Popular Movement for the Liberation of Angola (MPLA) and the National Front for the Liberation of Angola (FNLA), signed an accord bringing the two groups together. They had been at loggerheads for years, thus making it easier for Angolan authorities to cope with them. The Security Council on November 22 called on Portugal to enter into negotiations with all parties in the Portuguese territories of Angola, Mozambique, and Guinea-Bissau to end the conflicts in those areas.

SOUTHERN RHODESIA

The United Nations also continued to take an active interest in developments in Southern Rhodesia. A resolution calling on Great Britain to desist from implementing the British-Rhodesian settlement proposals in view of the overwhelming African opposition to those proposals was introduced in the U.N. Security Council meeting in Ethiopia early in the year but, because of the veto by the United Kingdom, it was not adopted. In December, the U.N. General Assembly, using the word "condemn" with respect to the United States for the first time, charged the United States with acting in violation of the U.N. embargo on trade with Rhodesia by importing chrome and nickel from that country.

In May, the British Government announced the findings of the Pearce Commission, whose task was to determine on behalf of the British Government whether the proposals for a settlement with Rhodesia negotiated in late 1971 were acceptable to the people of that country as a whole. After visiting Rhodesia, where it was greeted by African demonstrations, the Commission concluded that the projected constitutional settlement with Rhodesia was definitely unacceptable to the majority of Rhodesian Africans, and that Great Britain should continue sanctions against Salisbury. Following release of the report, Rhodesia began to implement various forms of what have been described as "petty apartheid" in buses, restaurants, and cinemas, and to harass the African National Council (ANC), which had organized the "no" vote. Other developments concerning Rhodesia included its exclusion from the Olympic Games at Munich on a technicality when black athletes from Tanzania, Kenya, and the United States threatened to boycott the games.

AFRICAN CONFERENCES AND AGREEMENTS

Several regional conferences concerned with African problems were held during 1972. The ninth Organization of African Unity (OAU) summit meeting was held in Rabat, Morocco, from June 12 to 16. The OAU elected a new Secretary General, Nzo Ekwangaki of Cameroon, and the members pledged to widen support for "liberation struggles" in Africa's remaining white-dominated areas. Strong resolutions were also adopted condemning Israel's role in the Middle East and the United States role in Rhodesia and Portuguese-controlled Africa. The OAU resolution on the Middle East reflected a growing pro-Arab trend among some Subsaharan states in a year which saw Uganda, Chad, and Congo-Brazzaville break diplomatic relations with Israel.

In September, 15 east and central African states attended the Eighth Annual Good Neighbor Conference in Dar es Salaam, Tanzania. Unanimous support was given to a pledge to increase assistance to guerrilla movements fighting African white minority governments, principally by allowing free transit of men and war materials through the territories of the 15 states to the war front.

In 1972, there were also several joint African economic developments. Cameroon and Nigeria announced an accord of cultural and technical cooperation. In May, plans were restated for a Nigerian-Togolese Economic Community, which President Gowon of Nigeria said would form the embryo of a larger West African economic union. This was the first time Nigeria had entered into an economic agreement with a former French colony. In June, seven of the nine French-speaking West African countries agreed to set up a West African economic community.

CHRONOLOGY

January 13: A group of junior army officers led by Lt. Col. I. K. Acheampong toppled Ghana's 2-year civilian government, at a time when Prime Minister Kofi A. Busia was abroad.

January 17: Eight thousand black Rhodesians attempted to invade the predominantly white center of Gwelo in the first major out-

break of violence since Rhodesia declared its independence in 1965. The demonstrators, who were turned back by police tear gas, wished to indicate to the Pearce Commission (whose task was to determine on behalf of the British Government whether the proposals for a settlement with Rhodesia negotiated in late 1971 were acceptable to the people of that country as a whole, and which arrived in the country on January 11) their rejection of the British-Rhodesian settlement terms.

January 17: Eight members of the U.S. Congress met with officials from 13 African countries at a conference in Lusaka, Zambia. The aim of the conference was to create greater awareness of Africa in the United States.

January 18: Mr. R. S. Garfield Todd, the former Rhodesian Prime Minister, and his daughter Judith were taken to separate prisons, on a detention order. No formal charges were brought against them; observers have assumed that they were detained because of their criticism of Ian Smith's regime and of the proposed Rhodesian-British settlement signed on November 24, 1971. Also arrested were Mr. and Mrs. Josiah Chinamano, an African couple. (The Todds were released on February 21, after a hunger strike by Judith.)

January 28-February 4: The U.N. Security Council met in Addis Ababa, Ethiopia, to consider the problem of Southern Africa. Four resolutions were passed. A fifth resolution, on Rhodesia, failed to pass because of a British veto. The United States abstained on that vote. The United States voted in favor of resolutions calling on the U.N. Secretary-General to undertake a dialog with South Africa over the future of Namibia, condemning South African labor practices in Namibia, and condemning South Africa's apartheid. It abstained on a resolution recognizing the legitimacy of the independence struggle of the people in Portuguese territories.

January 31: Four Ovambo of the largest ethnic group in Namibia (South West Africa) were killed in a clash with police in a continuation of incidents following Ovambo strikes in December 1971. About 100 armed Ovambo attacked the police.

February 9: Portuguese Foreign Minister Rui Patricio declared that Portugal would withhold its share of the cost of the U.N. Security Council meetings held in Ethiopia, which it regarded as "a pure propaganda operation."

February 14: It was reported that General Idi Amin, President of Uganda, had tried since the coup d'etat of January 1971 to consolidate his position in the country by massacring most of the 5,000 Langi and Acholi tribesmen who had been fellow tribesmen of former President Obote and had formed half of Obote's army.

February 27: After 12 days of meetings in Addis Ababa, representatives of the Sudanese Government and of the Anyanya rebels of southern Sudan initialed an agreement which ended the 17-year-

old civil war and gave the three southern provinces autonomy. The final agreement was signed on March 27. Meanwhile, a conference in Khartoum continued its search for ways to resettle the 200,000 southern refugees who sought refuge in Zaire, Uganda, Ethiopia, and other African countries.

March 7: President Mobutu Sese Seko (formerly known as Joseph Mobutu) of Zaire (Republic of the Congo) told the Roman Catholic Church to accept his Africanization policy or risk the closure of seminaries and prosecution of clergy. The Zairian President's order that all citizens drop European-style baptismal names and adopt African names as part of his authenticity program had caused several clashes with the Roman Catholic Church.

March 6-10: U.N. Secretary-General Kurt Waldheim visited South Africa for an exchange of views with the South African Government concerning Namibia (formerly South West Africa). While in Namibia Waldheim was greeted in Ovamboland, home of Namibia's largest ethnic group, by demonstrators demanding that South Africa yield control of the territory. South Africa agreed to allow a special U.N. envoy to visit Namibia to talk to all parties concerning the future of Namibia.

March 13: Portuguese military headquarters in Bissau, Portuguese Guinea, announced that African nationalist guerrillas, allegedly members of the African Party for the Independence of Guinea and Cape Verde, had destroyed a hamlet in northeastern Portuguese Guinea, leaving 14 dead and 12 seriously injured. The attack was considered to be the most serious guerrilla action in Portuguese Guinea in recent months.

March 19: The first shipment of Rhodesian chrome ore to the United States since the imposition of U.N. sanctions on trade with Rhodesia in 1966 entered the Port of New Orleans. It was consigned to the Foote Mineral Co. of Exton, Pa. (Congress enacted legislation in November 1971 authorizing the import of strategic materials from Rhodesia. A U.N. General Assembly resolution adopted in February 1972 called on all countries to adhere to the U.N. ban on trade with Rhodesia.)

March 24: South Africa opened a legislative council in the Caprivi Strip of Namibia as part of its Bantustan program of "self-governing" native homelands for the different ethnic groups which make up the African population in Namibia.

March 27: President Ahidjo of Cameroon and General Gowon of Nigeria announced an accord of cultural and technical cooperation.

March 27: The Addis Ababa peace conference ended the 17-year-old Sudan civil war when the Anyanyan southerners agreed to accept national unity in exchange for regional self-rule. Subsequently, a provisional regional government was set up in Juba and a regional assembly was elected. The army stationed in the south was composed of half Anyanya soldiers and half national troops.

During the long war there were an estimated 1.5 million fatalities; thousands fled to Uganda as refugees, and the Sudan was left economically drained.

March 28: Claiming "subversive activities of some Israelis in Uganda," President Idi Amin of Uganda ordered closure of the Israeli Embassy in Kampala and the immediate repatriation of all Israeli citizens living in Uganda. This move followed expulsion of Israel's army and paratroop training missions, announced March 22.

April 7: Sheik Abeid Amani Karume, Chairman of the Revolutionary Council of Zanzibar (which was united with Tanganyika to form the present Tanzania in April 1964), was assassinated by four assailants. President Nyerere of Tanzania appointed Aboud Jumbe, an adviser to Karume, as President of Zanzibar and Vice President of Tanzania.

April 14: A South African appeals court reversed the conviction of the Right Rev. Gonville A. French-Beytagh, the Anglican Dean of Johannesburg, who in November 1971 had been found guilty of subversion under the Terrorism Act and given a 5-year prison term. The Anglican Dean left South Africa for England a few hours after the announcement of the decision.

April 15: It was reported that the South African Government had detained 213 blacks in Ovamboland, Namibia, under new emergency regulations. The arrests came after 13,000 Ovambo tribesmen went on strike in December 1971 and January 1972 against a contract labor system under which they were sent to work in the developed southern part of the territory for 12-18 months at wage rates considerably lower than those paid to black South Africans.

April 27: Former President Kwame Nkrumah of Ghana died of cancer. Nkrumah had lived in exile following his overthrow in 1966. Guinea returned the body to Ghana for burial.

April 28: A U.S. District Court judge declined to issue a preliminary injunction, sought by the Black Congressional Caucus (13 Members of the House), to force the U.S. Government to stop allowing imports of chrome from Rhodesia. Between April and October, 19 shiploads of Rhodesian chrome and other metals were imported to the United States.

May 1: Plans were announced for a Nigerian-Togolese economic community. President Gowon of Nigeria said the community would form the embryo of a larger West African economic union. This was the first time Nigeria had entered into an economic agreement with a former French colony.

May 2: The Pepsi Cola Co. announced that it was planning to spend at least \$50,000 annually on educational programs for South African blacks, and Chrysler Corp. announced plans to give its black South African workers a 14 percent pay increase this year and to promote black workers into supervisory posts.

May 2: Civil war broke out in Burundi following the death of former King Ntare V. The former king had been arrested by the Micombero Government upon his return from exile, and was reportedly killed when some of his supporters tried to free him from detention. The majority Hutu, aided by some Tutsi, revolted against the ruling Tutsi minority in bitter fighting. By July, the Burundi Government admitted to the United Nations that 80,000 had been killed and 500,000 subjected to severe suffering as a result of the rebellion and subsequent retaliation. Other reports estimated that 2,000 Tutsi had been killed in the initial rebellion and 100,000 Hutu killed in reprisals. The Micombero Government announced an end to the fighting in July; however, sporadic fighting reportedly continued.

May 23: The British Government formally announced the Pearce Commission's findings that Britain's projected constitutional settlement with Rhodesia was definitely unacceptable to the people of Rhodesia as a whole, since the "majority of Africans rejected the proposals." Sir Alec Douglas Home announced before the House of Commons that Britain would continue its economic sanctions against Rhodesia, but that it left open the possibility of a "satisfactory settlement" in the future with Ian Smith's rebel government.

May 27: African Liberation Day was celebrated in Washington by various groups protesting the apartheid practices of the minority regimes of South Africa and Rhodesia, and Portugal's policies in its territories of Angola, Mozambique, and Portuguese Guinea (Guinea-Bissau). An estimated 10,000 participated in a demonstration at the Rhodesian Information Center. Earlier in the week, the first African American National Conference on Africa, called for by the Congressional Black Caucus, convened at Howard University.

May 27: Fifteen former State Department officials, including Under Secretaries Averell Harriman and Chester Bowles, and Ambassadors Charles Yost and William Attwood, signed a statement criticizing the Nixon administration for its expanding contacts with the Governments of South Africa, Rhodesia, and Portugal. They cited the decision to give Portugal \$435 million in economic credits for the use of the Azores base as retarding the eventual independence of the overseas Portuguese territories.

May 31: The U.S. Senate voted 40 to 36 to continue to uphold the Byrd amendment passed in 1971, which permitted U.S. imports of chrome ore from Rhodesia notwithstanding the U.N. sanctions against Rhodesia.

June 3: A treaty setting up the West African Economic Community (CEAO) was signed in Bamako, Mali. Member states are the Ivory Coast, Dahomey, Upper Volta, Mali, Mauritania, Niger, and Senegal.

June 5: In Johannesburg and Capetown, South Africa, police used tear gas and rubber truncheons in a clash with white students protesting the country's apartheid policies. South African Premier Vorster warned the students to expect tough treatment and rejected an official inquiry into police action after the protests were violently broken up. The police violence, the most severe ever taken against white students, was condemned by the clergy and a number of members of parliament.

June 6: The South African Government banned most political meetings, processions, and protests at 16 university centers in its attempt to halt the spread of anti-apartheid student protests.

June 6: An explosion in Rhodesia's Wankie coal mine killed 430 miners in the second worst mining disaster in Africa. The tragedy was seen as a blow to the Rhodesian economy, since the mine produced about half of the country's output needed for many export industries, and owing to U.N. sanctions against Rhodesia, the country was already very short on foreign exchange.

June 12-16: The ninth Organization of African Unity summit meeting was held in Rabat, Morocco. The OAU elected a new Secretary General, Nzo Ekangaki of Cameroon; pledged to widen support for liberation struggles in Africa's remaining white-dominated areas; and adopted strong resolutions condemning Israel's role in the Middle East crisis, and the U.S. role in Rhodesian- and Portuguese-controlled Africa.

June 22: The Windhoek Advertiser, a newspaper in Namibia, announced that the Getty Oil Co. had been granted oil prospecting concessions off the coast of Namibia despite U.S. Government policy of discouraging investments by U.S. companies in Namibia.

June 28: Ugandan President Idi Amin and Sudanese President Jaafar Numayri signed a mutual defense agreement, officially ending their longstanding border difficulties stemming from the southern Sudan civil war which ended in March.

July 6: The State Department announced the appointment of James Baker as the first black Foreign Service Officer to be permanently assigned to the Republic of South Africa.

July 25: Sudan and the United States resumed diplomatic relations after a 5-year break caused by charges that the United States had helped Israel in the 1967 Arab-Israeli war.

August 5: President Idi Amin of Uganda announced that all Asian residents with British passports had to leave Uganda within 3 months. The expulsion affected about 50,000 people who were forced to leave all their property behind and be airlifted out—many to England. The Government seized all Asian businesses without compensation with the intention of turning them over to native Ugandans. At one point, the expulsion order also applied to Asians of Ugandan citizenship, but Amin later rescinded that order.

August 8: Chief Kaiser Matanzima of the Transkei, principal minister of one of South Africa's three Bantustans (the self-governing homelands established by the South African Government for the different African ethnic groups), demanded the creation of "one black nation" in South Africa. In a speech on his return from a visit to the United States, Matanzima (regarded by most black nationalists as a supporter of the white government) said that his visit "has inspired in me a spirit of nationalism and a refusal to accept second-class citizenship." Earlier, two other Bantustan leaders, Chief Justice Mabandla of Ciskei and Chief Gatsha Buthelezi of Kwazulu, had made similar demands.

August 22: The International Olympic Committee withdrew its invitation to Rhodesia to compete in the Munich games on the technicality that Rhodesian team members failed to produce passports proving they were British subjects as well as Rhodesian citizens. Actually, the step was taken in response to a threat by Tanzanian, Kenyan, and American black athletes to boycott the games if Rhodesia was allowed to compete.

September 8: Gabon notified the United Nations that it had been invaded by Equatorial Guinea and requested a meeting of the Security Council. An armed force had attacked fishing camps on the uninhabited islands of Mbanie and Cocotiers. The dispute over the islands began during negotiations on maritime boundaries the previous month. On August 23, following Gabon's announcement that its territorial waters extended 170 miles, it occupied many islands, including some adjacent to Rio Muni. The dispute was important for fishing, but much of its intensity reflected a belief that the offshore area was rich in oil.

September 9: The Eighth Annual Good Neighbors Conference held in Dar es Salaam, Tanzania, unanimously supported a pledge to increase assistance to guerrilla movements fighting white minority governments. The 15 participating east and central African States agreed to allow free transit of men and war materials through their territory to the warfront, conditional on their own national security.

September 15: The State Department announced that it was holding up a \$3 million loan to Uganda following anti-Jewish statements by the country's President, Idi Amin, that the Department branded "deeply shocking and incomprehensible."

September 17: One former American Peace Corps volunteer was killed and another wounded by soldiers in Uganda. In August, Pierre Shostal, Deputy Chief of Mission of the U.S. Mission in Rwanda and his wife had been stopped and harassed by Ugandan soldiers as they tried to drive across the border from Uganda into Rwanda.

September 17: Uganda announced that 1,000 Tanzanian troops had invaded Uganda near Lake Victoria. The next day, Uganda rushed troops to the border area and retaliated by bombing several Tanzanian villages. Tanzania denied involvement in the

attack and also rushed troops to the border. It was later reported that the invaders were supporters of former Ugandan President Obote seeking to overthrow the government of General Amin.

September 18: The Malawi Congress Party stepped up its campaign against Malawi's 23,000 Jehovah's Witnesses. The Party passed 4 resolutions attacking the sect (which was banned in 1967 and went underground) for undermining the economic and political development of the country and said they should be dismissed from government jobs and discouraged from all business and farming activity. Shortly thereafter, members of the Youth League, organized in bands, began attacking Jehovah's Witnesses in the villages.

September 20: Planes enroute from Libya to Uganda were denied overflight permission by Sudan. The Libyan troops and weapons were on their way to help Uganda repel the "invasion" from Tanzania.

September 25: Ghana and Guinea agreed to normalize relations, strained since the overthrow of Ghana's Kwame Nkrumah in 1966 and his subsequent exile in Guinea. The reconciliation apparently came as a result of Ghana's granting of a state funeral to Nkrumah.

October 2: Leboa became the fourth South Africa self-governing Bantustan. Four more Bantustans are expected to receive the same status in 1973, completing the process of allocation of territory in South Africa and giving the 70 percent African population a total of 13 percent of the land. (See also entry for August 8.)

October 5: Tanzania and Uganda announced that a peace agreement between the two countries, ending the border war which began September 17, had been signed following negotiations in Mogadiscio, Somalia. Major hostilities had ceased by September 24 and the peace agreement called for a mutual troop withdrawal from the border area by October 19.

October 8: A referendum in the Malagasy Republic overwhelmingly endorsed Prime Minister Gabriel Ramanantsoa's proposal of 5 years of military rule in order to bring about government reform. General Ramanantsoa had assumed full powers from President Tsiranana after students and workers rioted last May.

October 9: The Mozambique Liberation Front (FRELIMO) announced the opening of a fourth front against combined Portuguese forces, according to FRELIMO spokesmen. The provinces of Manica and Sofala in central Mozambique near the Rhodesian border were reported to be areas of armed resistance. Earlier in the year, FRELIMO guerrillas blew up a truck of explosives near the Cabora Bassa Dam, killing nine.

October 9: Portugal announced the appointment of Fernando A. Santos e Castro as civilian Governor-General of Angola. This action followed an earlier announcement by Portugal of its intention to

change Angola and Mozambique from provinces to states to allow "greater autonomy without affecting the unity of the nation," and came at a time of new attempts to streamline trade patterns and monetary exchanges between the provinces and metropolitan Portugal.

October 9: In the face of worsening relations with Libya and Egypt, Sudanese President al-Numayri formed a new cabinet in Khartoum, retaining key supporters of his "Sudan first" policy. In September, Sudan had expelled the Egyptian director of the Khartoum branch of Cairo University and had announced it would withdraw part of the token military presence which it had maintained in Egypt since the 1967 war.

October 16: Amilcar Cabral, Secretary General of PIAGC (the organization fighting a guerrilla war against Portugal in Guinea-Bissau), addressed the Fourth Committee (Trusteeship and Non-Self-Governing Territories) of the U.N. General Assembly about the war in Guinea. On September 27, the Committee had voted to accept representatives of African liberation movements as observers. (Previously, members of the liberation groups had been accorded only petitioner status.)

October 19: General Amin of Uganda extended his expulsion order against Asians with British citizenship to include Asians having Kenyan, Tanzanian, and Zambian citizenship, and gave them the same November departure deadline.

October 23: A U.N. Security Council resolution (the United States abstaining) condemned Portugal for an October 12 incident on the Senegalese border in which two soldiers (one of them Senegalese) had been killed and one civilian had been wounded. Portugal conceded that its forces were guilty, and offered to pay reparations and try the commander in charge of the attack.

October 26: The 5-month-old Government of Dahomey, headed by President Justin Ahomadegbe (the first civilian leader in 12 years to succeed another without military intervention), was overthrown by the army. Major Mathieu Kerekou assumed the powers of state.

October 31: A new Rhodesian political party led by Roy Ashburner was launched in Salisbury. Styled the "Rhodesia Party," it planned to work toward an Anglo-Rhodesian settlement. This was the first attempt in 3 years to establish a party to the ideological left of Ian Smith.

November 6: Amilcar Cabral, Secretary General of PAIGC, the Guinea-Bissau independence organization, announced that a Council of State would soon be formed in Portuguese Guinea. The Popular National Assembly of Guinea was to consist of 80 delegates chosen from the 15 regional councils already elected by popular vote and 40 delegates from PAIGC membership.

November 14: It was announced in Brazzaville, Congo, that the month-old territorial dispute between Gabon and Equatorial Guinea had been settled by joint intervention of the Congo and Zaire. The two countries agreed on an offshore border line and agreed to neutralize the uninhabited islands in the bay which were the cause of the dispute.

November 22: The U.N. Security Council passed a resolution in which it unanimously called on Portugal to cease military operations and all acts of repression against the peoples of Angola, Portuguese Guinea, and Mozambique. It also called upon Portugal to enter into negotiations with the parties concerned with a view to achieving a solution to the armed confrontation that existed in those territories.

November 28: It was reported that white unionists in the South African building trades had pointed out to the Government that since laws reserving skilled jobs for whites had broken down and no longer protected white workers, the laws should be abandoned in favor of equal pay for equal work by blacks. Earlier in the summer, 68 unions of the Trade Union Congress had voted in favor of granting full union rights to black Africans for the same reasons.

November 28: President Francois Tombalbaye of Chad announced that his country had broken diplomatic relations with Israel.

November 30: Great Britain announced a series of measures aimed at punishing President Idi Amin of Uganda for his recent expulsion of 50,000 Asians and, according to some observers, at deterring other African nations from doing the same thing. A credit of \$24 million was to be suspended, and British technical assistance programs, under which 1,000 teachers and agricultural advisers worked in Uganda, were to be phased out over the next 2 years.

December 3: It was reported that drought and poor harvests over the last 4 years threatened Senegal, Mauritania, Mali, Upper Volta, Niger, and Chad with famine. Traditionally, famines have caused large-scale transnational migrations and ethnic conflicts as different ethnic groups competed for scarce resources.

December 6: The U.N. Security Council passed a resolution renewing the Secretary General's mandate to pursue dialog with South Africa on the future of Namibia, despite disappointment with the Escher Report. Alfred Escher, the Secretary-General's special representative, had met with South African leaders to discuss future independence for Namibia, and filed his report in November. Most African U.N. representatives were disappointed with the failure of the Escher mission to obtain a specific commitment for independence, despite some concessions by South Africa on the questions of separate development, assembly, and representation.

December 7: The U.N. General Assembly "condemned" the importation by the United States of chrome and nickel from Rhodesia in violation of the embargo on trade with Rhodesia declared by the United Nations in 1968. According to the State Department, it was the first time the word "condemn" had been directed against the United States by name in an Assembly resolution.

December 7: It was reported that almost all the 23,000 Jehovah's Witnesses in Malawi had fled to Zambia and Mozambique as the result of the government campaign against the religious group, which was accelerated in September. Eyewitnesses claimed that in a wave of violence, members of the sect had been beaten and murdered, and had had their property seized without compensation.

December 13: Following a meeting in Zaire with the Foreign Ministers of Zambia, Tanzania, and Zaire, the two main liberation movements of Angola—the Popular Movement for the Liberation of Angola (MPLA) headed by Agostinho Neto and the National Front for the Liberation of Angola (FNLA) headed by Holden Roberto—signed an agreement bringing the two groups together.

December 18: In response to Great Britain's November 30 announcement curtailing Uganda aid programs, Uganda announced the nationalization of 41 foreign firms, including 34 British firms and tea estates and one American firm. General Amin also announced that all British who did not plan to stay in Uganda indefinitely were to leave by the end of the year.

December 19: In response to the nationalization by Uganda of the U.S. firm International Television Sales, the State Department indicated that the United States might suspend aid to Uganda if the seized firm was not paid compensation.

December 23: President Tombalbaye of Chad concluded a 3-day visit to Libya during which Libyan President al-Qadhafi promised to turn over to Chad any FROLINAT guerrillas found in his country. Libya had previously served as a refuge to members of the guerrilla movement, which was dedicated to the overthrow of President Tombalbaye.

December 31: Congo-Brazzaville announced that it had broken diplomatic relations with Israel.

INTERNATIONAL ORGANIZATION AND LAW¹⁰

SUMMARY

The major issues before the United Nations throughout 1972 primarily concerned terrorism, hijacking, and the control of environmental problems. Financing the United Nations continued to be a major issue for the United Nations and the U.S. Congress, and both the U.N. General Assembly and the Congress made recommendations affecting the U.S. financial assessment as a percentage of the U.N. budget. (For a discussion of other issues before the United Nations, see sections on Latin America, the Middle East and North Africa, Africa South of the Sahara, and Arms Control and Disarmament.)

The People's Republic of China, which had taken the seat of China in the United Nations after the General Assembly vote of October 25, 1971, began to play an active part in the world organization. It participated in the U.N. Conference on the Human Environment, paid a substantial portion of its dues for 1971 and 1972, exercised its veto power in the Security Council, and made statements on the numerous issues which came before the United Nations.

Throughout the year, the new U.N. Secretary General, Kurt Waldheim, took steps to improve the stature of his office and to strengthen the existing capabilities of the United Nations organization. He instituted stringent economic cutbacks within the U.N. Secretariat. He made numerous trips to the capitals of the world to apprise himself of the issues and problems from every vantage point and to establish face-to-face contacts with the government in each country. He volunteered the good offices of the Secretary General in the Vietnamese conflict and in the civil strife in Northern Ireland (both offers were declined). Three days after the terrorist events at the Olympics in Munich in early September, Secretary General Waldheim requested that the General Assembly, scheduled to convene in 11 days, consider as an agenda item: Measures to prevent terrorism and other forms of violence which endanger or take innocent human lives or jeopardize fundamental freedoms. The Secretary General also proclaimed 1974 as World Population Year and announced plans for a World Population Conference.

In the area of international law, the International Court of Justice offered its judgment in one case and commenced consideration of two more. Multilateral treaty-making increased as more nations of the world realized the interdependence of existence on Spaceship Earth.

International terrorism and hijacking

Acts of terrorism and hijacking of aircraft intensified during 1972 and the international community was beset with pleas for the ces-

¹⁰ Prepared by Marjorie Ann Browne, analyst in international organization.

sation of such acts. Neither the United Nations nor its specialized agency, the International Civil Aviation Organization (ICAO), made much progress beyond general agreement that something had to be done.

In June, a threatened pilot work-stoppage created the impetus for focusing international organization attention on aerial hijacking. The ICAO Council established a special subcommittee to draw up an enforcement convention. This special subcommittee, meeting in Washington in September, failed to come to any final agreement on such a convention and forwarded its documentation to the Legal Committee of ICAO. Also in June, after 10 days of informal consultations, the U.N. Security Council President announced that Council members had adopted a decision condemning acts against civil aviation safety and urging states to take measures to prevent such acts and to punish those committing them.

In the fall, after serious debate in its Legal Committee, the U.N. General Assembly established an Ad Hoc Committee on International Terrorism to survey the observations and recommendations of member states on the subject and to report to the next session of the Assembly.

International environmental activities

The U.N. Conference on the Human Environment, held in Stockholm in June 1972, served as the focal point for activities on the various aspects of this issue, not only at the Conference but outside the framework of the United Nations. At the Conference, attended by representatives of 110 nations, new U.N. machinery was recommended. The Conference also adopted a Declaration on the Human Environment. In addition to the Stockholm conference, scientists from five nations including the United States, meeting under the auspices of the International Union for the Conservation of Nature and Natural Resources (an organization comprised of representatives of governments and of governmental and private organizations), drafted a protocol to ban the hunting of polar bears on the high seas. A conference of 12 states including the United States, and representatives of the U.N. Food and Agriculture Organization (FAO), signed a Convention for the Conservation of Antarctic Seals. Twelve European countries signed the Convention for the Prevention of Marine Pollution by Dumping From Ships and Aircraft, which would control the dumping of poisonous or dangerous waste in the English Channel, the North Sea, and parts of the North Atlantic. Later in the year, representatives of 91 nations, including the United States, participated in a conference which adopted a Convention on the Prevention of Marine Pollution by Dumping of Wastes and other Matter; this convention was similar to the other but was not limited to any geographic area.

United Nations financing

The extent of U.S. financial participation in the United Nations system was a concern both of the U.S. Congress and of the United Nations during 1972. Initially, an attempt was made in the Congress to limit U.N. appropriations for 1972 to 25 percent of the total budgets

of the United Nations and its affiliated agencies rather than to appropriate the full amount assessed the United States. But the State Department appropriation bill, as passed, postponed these limitations until 1974, thus giving the United Nations an opportunity to revise the assessments. The U.N. General Assembly revised its guidelines by lowering the ceiling from 30 percent to 25 percent as the amount the highest contributor (the United States) could be assessed. This was not, however, a firm reduction, but a goal, to be met "as soon as practicable." Congress also appropriated funds for some of the arrears owed to the International Labor Organization by the United States.

International law—treaties

Throughout 1972, the Senate approved for ratification numerous treaties dealing with problems in international relations. It approved for ratification: the UNESCO Convention on Ownership of Cultural Property, to which the United States had attached one reservation and six understandings; the Inter-American Convention to Prevent and Punish the Acts of Terrorism Taking the Form of Crimes Against Persons and Related Extortion That Are of International Significance; the Montreal Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation; the March 1972 Protocol amending the Single Convention on Narcotic Drugs; the 1972 Convention on International Liability for Damage Caused by Space Objects; and the Universal Copyright Convention, which had been revised in 1971. In addition, the United States ratified the Vienna Convention on Diplomatic Relations and the Optional Protocol Concerning Compulsory Settlement of Disputes, which had been signed in 1961 and which entered into force for the United States on December 13, 1972. In January the Secretary of State set down new guidelines for responding to requests by foreign nationals for asylum in the United States.

International law—International Court of Justice

The International Court of Justice (ICJ) completed action concerning an appeal relating to the jurisdiction of the International Civil Aviation Organization (ICAO) Council in a dispute between India and Pakistan. In February 1971 India barred flights over its territory by Pakistani aircraft. Pakistan complained to the ICAO Council, which decided it had jurisdiction in this instance. In August 1971 India filed an application with the World Court, disputing the jurisdiction of the ICAO Council. In 1972, the Court, after determining that it had jurisdiction to entertain India's appeal, held that the ICAO Council was competent to consider the complaint of Pakistan and thus rejected the Indian appeal.

The United Kingdom and West Germany instituted proceedings against Iceland before the Court. They contended that Iceland had no right unilaterally to extend the limits of its exclusive fishing rights to a distance of 50 miles offshore, as it proposed to do effective September 1, 1972. The Court granted an interim ruling enjoining Iceland from implementing its decision. However, Iceland stated that the Court had no jurisdiction in the matter, and the 50-mile limit was applied as of September 1.

The United States and the United Nations

Although the principal U.S. action on the world stage during 1972 involved bilateral talks with the People's Republic of China and the Soviet Union, the United States did not dismiss the United Nations as a forum for international cooperation. It supported the U.N. Conference on the Human Environment, and its proposal for a U.N. Environment Fund was included among the Conference's recommendations. It continued to provide financial contributions to the U.N. Fund for Drug Abuse Control. It was actively engaged in negotiations within the U.N. Sea-Bed Committee, which was preparing for the 1974 Law of the Sea Conference. In September 1972, it submitted to the General Assembly a draft convention for the control of international terrorism.

On the other hand, in implementation of legislation approved in 1971, the Department of the Treasury authorized imports of strategic and critical materials from Southern Rhodesia. The legislation was in conflict with articles 25 and 41 of the U.N. Charter, which called on all member nations to carry out the economic sanctions prescribed by the Security Council. Congressional attempts during 1972 to repeal the legislation which disregarded the sanctions were not successful.

In 1972, the United States cast its second veto in the U.N. Security Council. U.S. Representative George Bush maintained that a resolution condemning Israeli attacks in the Middle East was unrealistic because it did not mention that the attacks were in retaliation for the terrorist acts against Israelis as the Olympics in Munich.

As the year ended, Ambassador Bush prepared to leave the post he had held since March 1971. John Scali, a former diplomatic correspondent and foreign affairs consultant to the President, was nominated to replace him.

CHRONOLOGY

January 1: Membership on the U.N. Security Council for 1972 consisted of Argentina, Belgium, China, France, Guinea, India, Italy, Japan, Panama, Somalia, Sudan, the Soviet Union, the United Kingdom, the United States, and Yugoslavia.

January 3: Kurt Waldheim, the new Secretary-General, began his duties at U.N. headquarters. His 5-year term was to end on December 31, 1976.

January 11: The Secretary of State announced new guidelines for responding to requests by foreign nationals for asylum in the United States. The guidelines were developed to "clarify beyond doubt traditional U.S. policies on the right of asylum and to identify procedures by government authorities in this country and abroad." (This action was in response to the confusion in 1970 over the handling of the Kudirka incident, in which a Lithuanian sailor attempted to defect from the Soviet Union by fleeing a Soviet fishing vessel moored to a Coast Guard cutter in U.S. territorial waters. Upon his refusal to return voluntarily, a Soviet landing party boarded the U.S. ship and, with Coast Guard acquiescence, forcibly returned him.)

January 12: U.N. Secretary General Waldheim announced he was cutting \$6 million in expenditures by instituting certain economies in the Secretariat.

January 13: Maurice F. Strong, Secretary General of the U.N. Conference on the Human Environment, announced that the People's Republic of China would participate in the Conference.

January 14: Retiring United Nations Development Program (UNDP) Administrator Paul G. Hoffman presented his final statement to the Governing Council of the Development Program. Rudolph A. Peterson began his term as Administrator the next day.

January 19: President Nixon, in a policy statement on economic assistance and investment security, asserted that where adequate compensation was not made for expropriated U.S. private investments, "we will presume" that the United States would not extend new bilateral economic benefits to the expropriating country or support multilateral loans.

January 24: U.N. Secretary General Waldheim met with President Nixon, Secretary of State Rogers, and members of the Senate Foreign Relations and House Foreign Affairs Committees in Washington, D.C. According to the Secretary-General, the President assured him "of the continued full support of the United States for the United Nations."

January 24: Pursuant to section 503 of the Military Procurement Act approved on November 17, 1971, the Department of the Treasury authorized imports of strategic and critical materials of Southern Rhodesian origin and of ferrochrome produced from Rhodesian chromite.

January 27: Assistant Secretary of State Samuel De Palma observed that the United States contributed \$335 million of the \$1.1 billion spent by the U.N. system, including the affiliated specialized agencies, in 1971.

January 28: The U.N. Security Council opened the first meeting away from its New York headquarters in 20 years and its first meeting in Africa (Addis Ababa, Ethiopia). The special meeting had been requested by the Organization of African Unity in June 1971 and recommended by the U.N. General Assembly on December 20. Major issues for discussion included white minority rule in Rhodesia, apartheid in South Africa, Namibia, and Portugal's control of Angola, Mozambique, and Portuguese Guinea.

February 4: The U.N. Security Council completed its special meeting in Africa, after consideration of five resolutions. A resolution condemning the terms of the independence settlement for Rhodesia worked out by Great Britain and Rhodesia was vetoed by Great Britain (the United States abstained). The other resolutions were on South Africa's treatment of South-West Africa (Namibia)

and Portugal's treatment of its African territories of Angola, Mozambique, and Portuguese Guinea. One of the resolutions called on the Secretary-General "to initiate contacts with all parties concerned" with a view to achieving independence for Namibia.

February 7: President Nixon signed into law the foreign assistance authorization bill for fiscal year 1972 (Public Law 92-226). Section 410 of the act strongly urged the President to undertake negotiations necessary to reduce the U.S. annual assessment to the U.N. regular budget to no more than 25 percent.

February 7: U.N. Secretary General Waldheim said he had offered his help to Britain in dealing with the grave situation created in Northern Ireland by recent civil strife. However, he added, "we can only actively help if both parties are agreed." Mr. Waldheim indicated he made his offer at the request of Ireland's Foreign Minister.

February 8: President Nixon, in a message to the Congress on Environmental Awakening, proposed the establishment of a voluntary United Nations Fund for the Environment, with an initial funding of \$100 million for the first 5 years.

February 8: Britain declined the offer by Secretary-General Waldheim to help in dealing with the crisis in Northern Ireland—"the matter does not lend itself to intervention from outside."

February 11: A conference of 12 states including the United States signed a Convention for the Conservation of Antarctic Seals. The U.S. delegation noted that the provisions for observation and enforcement should be stronger but agreed to sign the agreement as a necessary protection against overexploitation of Antarctic seals.

February 11: Scientists from Canada, Denmark, Norway, the Soviet Union, and the United States, meeting under the auspices of the International Union for the Conservation of Nature and Natural Resources, drafted a protocol to ban the hunting of polar bears on the high seas, starting in 1973.

February 15: Twelve European countries (Belgium, Denmark, France, Finland, Iceland, the Netherlands, Norway, Portugal, Spain, Sweden, the United Kingdom, and West Germany) signed the Convention for the Prevention of Marine Pollution by Dumping From Ships and Aircraft. This Convention aimed at controlling dumping in the English Channel, the North Sea, and parts of the North Atlantic. A commission to coordinate the implementation of the Convention was also established.

February 16: Tonga became the 76th nation to accede to the U.N. Convention on the Prevention and Punishment of the Crime of Genocide. The Convention continued to be pending consideration by the U.S. Senate.

March 1: The People's Republic of China paid \$3 million to the U.N. regular budget as its first installment on the \$7.1 million it was

assessed for 1972. A letter accompanying the payment indicated that China would not pay the portion of the regular budget which would be used for the upkeep of the U.N. cemetery in Korea and the cost of amortizing the U.N. bonds.

March 16: U.N. Secretary-General Waldheim, in a special report on developments in Cyprus, outlined the details of an agreement between the Cyprus Government and his Special Representative concerning safe storage and inspection of weapons imported into Cyprus, thereby minimizing the increase in tensions caused by such weapons imports.

March 16: President Nixon's message to Congress on science and technology outlined two steps aimed at strengthening U.S. participation in this area of international cooperation: (1) direction to Federal agencies, under the leadership of the Department of State, to identify new opportunities for international cooperation in research and development; and (2) initiation of a broad review of U.S. involvement in the scientific and technological programs of international organizations and of steps that might be taken to make U.S. participation in these activities more effective.

March 17: UNDP Administrator Peterson announced that UNDP projects in Taiwan were being phased out and that most of them would end within 3 months.

March 17: The U.N. Representative from the Soviet Union transmitted to the Secretary General a letter setting forth basic guiding principles for conduct of U.N. peacekeeping operations, including U.N. observer missions. The letter proposed that the Security Council establish a special subsidiary organ to direct U.N. peacekeeping force operations.

March 24: An international conference, organized to amend the Single Convention on Narcotic Drugs, 1961, completed its work after meeting for 3 weeks in Geneva. (On March 25, representatives of 37 countries including the United States signed the Protocol strengthening the International Narcotics Control Board and its capacity to take effective action to decrease the volume of illicit drug activity. The amendments also included a provision on extradition, thus denying drug offenders a haven anywhere from prosecution. On May 4, President Nixon submitted the Protocol to the Senate, which approved the document on September 18. The United States ratified the Protocol on November 1.)

March 27: Congressman F. Bradford Morse was appointed to the post of Under Secretary General for Political and General Assembly Affairs. Mr. Morse became the highest ranking U.S. national in the U.N. Secretariat when he took office on May 1.

March 30: The U.N. Representative from the Soviet Union stated that his Government was "compelled to refuse to participate in the Stockholm conference [on the human environment] and its preparations" because East Germany had not been allowed the right of full participation in the Conference.

March 30: The U.S. Representative to the United Nations transmitted to the Secretary-General a letter setting down the U.S. proposals of February 1970 on the establishment and conduct of U.N. peacekeeping operations. Also transmitted were the clarification and elaboration of these proposals which had resulted from bilateral negotiations between the United States and Soviet Union since 1970. (See second entry for March 17.)

April 14: The French representative to the United Nations announced that France was paying the full amount of its 1972 dues to the U.N. budget. This included payment for the first time of its assessed share, about \$500,000, to help amortize bonds issued in 1962-64 for U.N. peacekeeping operations.

April 20: The Senate Foreign Relations Committee report on S. 3526, authorizing State Department appropriations, approved an amendment by Senator Gale W. McGee repealing section 503 of the military procurement authorizing bill adopted in 1971 (Public Law 92-156). Section 503 required the President to disregard U.N. economic sanctions against Rhodesia in order to import Rhodesian chromium ore. (On May 31, the Senate adopted an amendment by Senator Harry F. Byrd which deleted the McGee repeal of section 503.)

May 9: U.N. Secretary-General Waldheim said that "the time has now come when the full machinery of the United Nations should be used" to end the war in Vietnam. He referred specifically to the Security Council as the appropriate organ in the U.N. machinery. He also reiterated his offer to the "parties to the conflict" of the "good offices" of the Secretary-General to help bring peace in Vietnam.

May 10: The World Health Assembly formally recognized the People's Republic of China as the only Government having the right to represent China in the World Health Organization.

May 11: In a letter to the President of the Security Council and to the Secretary-General, the People's Republic of China rejected any role for the United Nations in attempting to end the war in Vietnam: "The Vietnam question has nothing to do with the United Nations."

May 15: The House Appropriations Committee reported H.R. 14989, appropriating fiscal year 1973 funds for the Department of State. For the United Nations and its affiliated agencies the committee cut the original request of \$134,687,601 to \$100,978,319. The reduction was effected by a proviso limiting U.S. payment to the United Nations and its affiliated agencies to 25 percent of the total budget of each agency with the exception of the joint financing program of the International Civil Aviation Organization (ICAO). The total reduction under the proviso was \$25.1 million. The remaining \$4.7 million reduction resulted from a further decrease in appropriations to the International Labor Organization (ILO). The House defeated an amendment to restore \$25.1

million. An amendment to restore \$1 million to the International Atomic Energy Agency (IAEA) was approved. The House approved H.R. 14989, as amended, on May 18.

May 15: U.N. Secretary General Waldheim made public a letter of May 11, to the President of the Security Council on the role of the United Nations in Vietnam. He wrote, "I feel strongly that the United Nations can no longer remain a mute spectator of the horrors of the war and of the peril which it increasingly poses to the international peace." He noted that he was "deeply concerned" that the United Nations "appears to have no relevance" to what is now happening in Vietnam.

May 16: The Chinese Representative declared in a meeting of a committee of the Economic and Social Council that the People's Republic of China was not bound by U.N. resolutions adopted before it joined the world organization: "Resolutions adopted by the ECOSOC and other U.N. bodies during this period [before October 25, 1971] have no binding force whatsoever on the People's Republic of China."

May 16: The People's Republic of China made two payments in amounts of \$400,000 and approximately \$1,013,500, which were intended, respectively, as an advance to the Working Capital Fund and a contribution to the U.N. regular budget for 1971.

May 18: The Senate adopted and sent to the President the conference report on H.R. 14582, the second fiscal year 1972 supplemental, which included \$7.6 million for ILO. The House had approved the conference report on May 17.

May 21: The U.N. Conference on Trade and Development (UNCTAD) concluded its third session in Santiago. The meeting which began April 13, was attended by representatives of 141 countries. The Conference approved, among others, resolutions on various aspects of monetary reform and development finance, specific areas of commodity problems, shipping and sea-bed activities, various spheres of trade relations, problems of developing countries, and the human environment.

May 29: The joint communique of the United States and the Soviet Union at the conclusion of meetings at Moscow included a brief section on strengthening the United Nations. According to the communique, "both sides will strive to strengthen the effectiveness of the United Nations on the basis of strict observance of the U.N. Charter" and "they will do their best to support United Nations efforts in the interests of international peace."

May 31: The Senate Appropriations Committee reported H.R. 14989, appropriations for the Department of State for fiscal year 1973, recommending appropriation of \$134.7 million for the United Nations and its affiliated agencies. The committee added a proviso that after January 1, 1973, authorizations and appropriations for U.S. contributions to the United Nations and its affiliated

agencies, except for the International Atomic Energy Agency, and the joint financing program of the International Civil Aviation Organization, might not exceed 25 percent of the "total annual assessment" of all nations to each organization. (On June 15 the Senate, after extending the effective date of the proviso to "after December 31, 1973," passed the bill, with the section on international organizations and programs unchanged.)

June 8: The International Federation of Airline Pilots Associations, in a telegram to the U.N. Secretary General, requested a meeting of the U.N. Security Council no later than June 16, to deal with the air-piracy menace. Otherwise, the Federation threatened a global 24-hour shutdown of airline service on June 19.

June 12: The Senate approved ratification of the 1951 International Plant Protection Convention, drawn up to increase international cooperation in controlling pests and plant diseases and preventing their spread across international boundaries. According to the Foreign Relations Committee report on the treaty, additional appropriations or legislation were not required to implement this Convention.

June 12: The Senate approved ratification of the 1971 Inter-American Convention to Prevent and Punish the Acts of Terrorism Taking the Form of Crimes Against Persons and Related Extortion That Are of International Significance. This Convention was aimed at deterring kidnappings and acts of violence against representatives of foreign states and officials of foreign governments and public international organizations.

June 16: The U.N. Conference on the Human Environment ended after a 2-week meeting attended by representatives from 110 nations. Thirty members of the United Nations did not participate in the Conference, including the Soviet Union, Czechoslovakia, Hungary, Cuba, and Bulgaria. Action by the Conference centered around three broad results: 109 recommendations for an Action Plan, a resolution outlining new U.N. machinery, and a Declaration on the Human Environment.

June 19: Numerous airlines cancelled international flights for the day in response to the 24-hour global work stoppage called for by the International Federation of Airline Pilots Associations.

June 19: The Council of the International Civil Aviation Organization adopted a resolution establishing a special subcommittee to draw up an international convention setting forth procedures for determining whether and what kind of joint action was necessary to enforce certain obligations contained in the Hague Convention on hijacking.

June 20: The U.N. Security Council President announced that members of the Council had by consensus adopted a decision setting forth a general policy position on aerial hijacking.

June 23: The UNDP Governing Council concluded its 14th session, during which it approved 5-year (1972-76) programs for 16 countries involving the expenditure of \$250 million. In addition, six countries were selected for especially intensive study by UNDP to help shape the future direction of its assistance to the least developed nations. UNDP Administrator Rudolph Peterson noted that since January 1972, he had approved 115 large-scale projects totaling \$134.4 million and affecting 50 low-income nations, and 208 smaller-scale projects at a cost of \$3.9 million to UNDP.

June 29: Ambassador Bush addressed a joint meeting of the U.N. Committee for Program and Coordination and the U.N. Administrative Committee on Coordination, setting forth U.S. policy on various aspects of budgetary and financing practices within the U.N. system. Ambassador Bush emphasized the need to improve the effectiveness of U.N. agencies and to reassess changing priorities.

July 4: U.N. Secretary General Waldheim welcomed the agreement made by Representatives of North and South Korea and disclosed that he had acted as intermediary in one phase of the negotiations. While in Vienna in March, he met with North Korean representatives who made a number of suggestions relative to meeting with their South Korean counterparts. The Secretary General passed these suggestions on to the South Korean Government.

July 11: The Platform of the Democratic Party, approved by the National Convention, included a separate section on the United Nations. While recognizing that the "U.N. cannot solve all the great political problems of our time," the Convention asserted that "in an increasingly interdependent world, a world body is essential and its potential must be increasingly relied upon."

July 20: U.N. Secretary General Waldheim informed the Security Council that South Africa had agreed to the appointment of a special U.N. representative to work for Namibia's self-determination and independence.

August 1: The House passed the conference report on H.R. 11350 to increase the annual authorized ceiling on U.S. contributions to the International Criminal Police Organization (Interpol) from \$28,500 to \$80,000 and to authorize the payment of \$55,000 in unpaid contributions for calendar years 1970 and 1971. The Senate had agreed to the conference report on July 27. The President approved the bill on August 10 (Public Law 92-380).

August 4: The United States presented to the U.N. Committee on the Peaceful Uses of the Sea-Bed and the Ocean Floor beyond the Limits of National Jurisdiction a "revised draft fisheries article" which modified the original draft transmitted in August 1971. The 1972 draft article allocated to the coastal state the authority to regulate fish stocks inhabiting the coastal waters off its shores as well as its anadromous fishes (those which go up rivers to

spawn in fresh water) to the limits of their range, including a right to reserve to itself all of the available catch its vessels were capable of harvesting. The formula for allocating the allowable catch between coastal state and traditional distant water fisheries was to be negotiated with the Sea-Bed Committee. The revised U.S. draft article placed responsibility for regulation of highly migratory oceanic resources on appropriate international fishery organizations.

August 10: The House adopted an amendment to the foreign aid authorization bill (H.R. 16029) deleting a provision approved by the Foreign Affairs Committee that would have had the President resume participation in U.N. sanctions against Rhodesia.

August 10: The House accepted an amendment to the foreign aid authorization bill (H.R. 16029) authorizing the President to suspend aid to any nation refusing to prosecute or extradite persons accused of hijacking aircraft from the United States.

August 11: The Senate approved ratification of the Convention on Ownership of Cultural Property adopted in 1970 by UNESCO. The resolution of ratification included one reservation and six understandings.

August 11: The Senate approved ratification of the 1955 Convention establishing an International Organization of Legal Metrology. Accession to the Convention would obligate the United States to contribute to the financial support of the Organization. (The Convention entered into force for the United States on October 22, 1972.)

August 14: The Senate approved ratification of the Universal Copyright Convention, as revised at Paris on July 24, 1971. The United States ratified the Convention on September 18, 1972.

August 17: The International Court of Justice granted Britain and West Germany an interim ruling that Iceland should refrain from implementing its decision to enforce an extension of its exclusive fisheries zone from 12 to 50 miles on September 1. The injunction was to remain in effect until the ICJ made a final judgment on the case, which was submitted by Britain on April 14 and by Germany on June 5. However, a review of the interim decision could take place before August 1, 1973, at the request of any party involved. Iceland declared that the Court had no jurisdiction in this matter and applied the limits beginning on September 1.

August 18: The International Court of Justice held that the Council of the International Civil Aviation Organization (ICAO) was competent to entertain the Application and Complaint of Pakistan against India's decision in February 1971 to bar flights over its territory by Pakistani aircraft, and in consequence, rejected the appeal made to the Court by India against the decision of the Council to assume jurisdiction.

August 22: The Platform of the Republican Party was adopted by the National Convention. In a general section on foreign policy, the

convention pledged "to strengthen the agencies of international cooperation" and "to improve the performance of the United Nations." The Convention also supported "a more equitable sharing of the costs of international organizations" and expressed "serious concern over the delinquency of many U.N. members in meeting their financial obligations."

August 24: Alexander Solzhenitsyn, in a statement published by the Nobel Foundation, characterized the United Nations as "immoral," "jealously guarding the freedom of some nations and neglecting the freedom of others." According to the winner of the Nobel Prize for literature in 1970, the "U.N. made no effort to make the Declaration of Human Rights * * * into an obligatory condition of membership confronting the governments. Thus it betrayed those humble people into the will of the governments which they had not chosen."

August 25: China cast its first veto in the Security Council, on a resolution to recommend Bangladesh for admission into the United Nations.

August 28: The U.S. Mission to the United Nations circulated to all U.N. member nations an aide memoire stating that the U.S. Government would seek a reduction of the current 30-percent ceiling on the assessment of the highest contributor to 25 percent.

September 1: Mrs. Helvi Sipilä (Finland) began her term in the U.N. Secretariat as Assistant Secretary General for Social and Humanitarian Affairs—the first woman to hold a position as Assistant Secretary-General.

September 5: Arab commandos broke into the Israeli dormitory at the Olympic village in Munich, West Germany, killed two Israelis, and seized nine others as hostages. These nine were killed shortly before midnight (Munich time) in an airport gun battle between the Arabs and West German police.

September 6: The House of Representatives approved, 346 to 0, H. Res. 1106, mourning the death of Israel's 11 Olympic athletes and urging that "all means be sought" to cut off contact with "any peoples or nation giving sanctuary, support, sympathy, aid, or comfort to acts of murder and barbarism" as witnessed at Munich. On the same day, the Senate approved, 82 to 0, an identical resolution, S. Res. 358.

September 8: U.N. Secretary General Waldheim asked that the 27th General Assembly session consider measures to prevent terrorism and other forms of violence.

September 10: The United States cast its second veto in the U.N. Security Council. Ambassador Bush voted against a resolution which referred only to the situation in the Middle East but was silent on the acts of terrorism which took place at Munich and which had triggered the retaliatory attacks by Israeli planes against Arab guerrilla bases in Syria and Lebanon on September 8.

September 15: A special subcommittee of the International Civil Aviation Organization (ICAO) met in Washington September 4-15 to consider a convention which would cut off air services against states failing to punish hijackers. The meeting of 15 nations, which included representatives from the United States, the U.S.S.R., the United Kingdom, France, and Canada, failed to come to any final agreement and forwarded the relevant documents to the Legal Committee of ICAO.

September 18: The House Appropriations Committee reported on a foreign aid appropriations bill which reduced appropriations for international organizations and programs from the requested \$124.8 million to \$105 million. In addition, no funds would be available for international financial institutions or for the UNDP for any project or activity for which: (1) the expenditures were not subject to audit by the Comptroller General of the United States, and (2) detailed justification was not available to the Senate and House of Representatives. (The House passed H.R. 16705 with the above items unchanged on September 21. On September 28, the Senate adopted a bill which appropriated the \$124.8 million requested and deleted the provisions approved by the House. The Congress adjourned on October 18 without adoption of a final appropriations measure for foreign assistance.)

September 19: The 27th session of the U.N. General Assembly opened. Congressional members of the U.S. delegation were Senators Gale W. McGee and James B. Pearson.

September 20: U.N. Secretary General Waldheim proclaimed 1974 as World Population Year and announced plans for a World Population Conference in which member states would consider basic demographic problems, their relationship to economic and social development, and the population policies and action programs needed.

September 23: The U.N. General Assembly voted to include on its agenda an item on "Measures to prevent international terrorism * * *." The Sixth (Legal) Committee was designated to serve as the primary forum for debate on this issue.

September 25: Secretary of State Rogers presented to the U.N. General Assembly a draft convention on international terrorism. He also urged that the Assembly consider quickly the draft articles before it on crimes against diplomats and officials of foreign governments and international organizations.

September 25: The General Assembly of Interpol (the International Criminal Police Organization) adopted unanimously a United States-sponsored resolution urging its 110 members "to utilize existing machinery and services of Interpol" to prevent or suppress terrorism.

September 25: Secretary of State William P. Rogers addressed the 27th session of the U.N. General Assembly during the general

debate. He called for ways "to assure representation [on the Security Council] for states, other than the present permanent members, whose resources and influence are of major importance in world affairs," referring specifically to Japan. He urged "greater recourse to fact-finding commissions, to good offices, and to quiet preventive diplomacy. . . ." A major portion of his speech was devoted to the problem of international terrorism.

September 27: The Nobel Committee of the Norwegian Parliament announced that the Nobel Peace Prize would not be awarded in 1972.

September 28: The Senate passed Senate Concurrent Resolution 100, urging the President to consider the suspension of U.S. aid to and the imposition of economic and other sanctions against any nation providing sanctuary for international terrorists.

September 29: The U.N. Security Council adopted a resolution, 13 to 0, with 2 abstentions (U.S. and U.K.), on Rhodesian sanctions which, inter alia, urged the United States to cooperate fully with the United Nations in the effective implementation of sanctions. It condemned the refusal of South Africa and Portugal to cooperate with the United Nations in the observance and implementation of sanctions against Southern Rhodesia.

October 3: The Senate approved ratification of the 1971 Montreal Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation. The principal purpose of the Convention was to require the extradition or prosecution of persons who committed acts of sabotage or otherwise destroyed aircraft or who endangered the safe flight of an aircraft by damaging it or destroying or damaging navigation facilities. The United States ratified the Convention November 1, but it did not enter into force in 1972.

October 4: Scientific academies of 12 nations, including the United States and the Soviet Union, established the International Institute of Applied Systems Analysis to seek solutions to problems created by the increasing industrialization of society.

October 5: Senator Mike Mansfield asked unanimous consent to call up the Genocide Convention. His efforts to bring the 1948 Convention to the floor of the Senate (for the first time) failed.

October 6: The Senate approved ratification of the 1972 Convention on International Liability for Damage Caused by Space Objects, which assured that fair compensation would be paid promptly for injury or damage caused by space objects.

October 9: President Nixon announced that the United States would provide launch assistance to other countries and international organizations for satellite projects which were for peaceful purposes and were consistent with obligations under relevant international arrangements. Launches would be provided on a nondiscriminatory, reimbursable basis.

October 9: A member of China's delegation indicated, during the Fifth Committee discussion of the U.N. budget, that China intended to raise its rate of assessment gradually from 4 to 7 percent during the coming 5 years.

October 10: The United States transmitted to the United Nations a contribution of \$1 million to the U.N. Fund for Drug Abuse Control. Since April 1, 1971, the United States had contributed a total of \$3 million to the Fund.

October 10: The House agreed to the conference report on the Marine Mammal Protection Act of 1972, section 108 of which authorized the President to initiate negotiations with foreign governments for the protection and conservation of all marine mammals covered by the Act. This included convening an international meeting before July 1, 1973, to negotiate a multilateral convention for the same purpose. The Senate agreed to the conference report on October 11, and the President signed the measure on October 21 (Public Law 92-522).

October 11: The House agreed to the conference report on H.R. 15883, strengthening the protection of foreign officials and diplomatic missions in the United States. In doing so, it accepted the Senate's amendments adding "official guests" to the list of protected persons. The Senate had agreed to the report on October 2. The President signed the measure on October 24 (Public Law 92-539).

October 12: The House agreed to the conference report on State Department appropriations and to the amendments which appropriated \$176.2 million in contributions to international organizations. The House adopted the Senate version of the proviso delaying reduction of appropriations until December 31, 1973. The Senate approved the report on the next day and the President signed H.R. 14989 on October 25 (Public Law 92-544).

October 18: The Congress adjourned without taking final action on either bill implementing the Hague Convention on Hijacking—S. 2280 or H.R. 16191.

November 9: The U.N. General Assembly, by a vote of 102 to 1 (U.S.), with 7 abstentions, adopted a resolution requesting the Committee on the Peaceful Uses of Outer Space to elaborate the principles governing the use by States of artificial earth satellites for direct television broadcasting. The Soviet Union had submitted a draft convention on this issue on August 9.

November 9: The Governments of the United States, France, the Soviet Union and the United Kingdom issued a declaration agreeing to support the applications for membership in the United Nations, when submitted, of the two Germanies.

November 13: The United States ratified the Vienna Convention on Diplomatic Relations and the Optional Protocol concerning the Compulsory Settlement of Disputes, which were signed in 1961 and entered into force in April 1964. The Convention and Protocol,

which had been approved by the Senate on September 14, 1965, entered into force for the United States on December 13.

November 13: Representatives of 91 nations participated in a 2-week conference in London which ended with the adoption of an international Convention on the Prevention of Marine Pollution by Dumping of Wastes and other Matter. (The United States signed the Convention on December 29.)

November 14: The U.N. General Assembly, by a vote of 98 to 6 (U.S.), with 8 abstentions, adopted a resolution condemning Portugal's refusal to comply with previous U.N. resolutions to halt its action in its non-self-governing territories and its incursions into neighboring states. The resolution also requested all governments, especially members of NATO, to withdraw any assistance and to prevent the sale or supply of military hardware to Portugal which might be used in its African territories.

November 16: The UNESCO General Conference adopted, by a vote of 55 to 5 (U.S.), with 22 abstentions, a Declaration of Guiding Principles on the Use of Satellite Broadcasting for the Free Flow of Information, the Spread of Education and Greater Cultural Exchange. The Declaration was not binding.

November 16: The UNESCO General Conference adopted a Convention for the Protection of the World Cultural and Natural Heritage, providing for both emergency and long-term aid for the world's cultural and natural heritage.

November 20: The executive board of the U.N. Educational, Scientific and Cultural Organization (UNESCO) voted unanimously to admit the German Democratic Republic (GDR) to membership in the specialized agency. (On November 21, the General Conference of UNESCO unanimously elected the GDR to membership.)

November 21: The General Conference of UNESCO, by a vote of 75 to 13, adopted a biennial budget totalling \$120 million. The countries voting against the budget, including the United States and the Soviet Union, would provide approximately 60 percent of the income for the UNESCO budget.

November 23: The North Atlantic Assembly (parliamentarians from NATO countries) called on NATO member governments to fight hijacking and terrorism by cutting off flights and foreign aid to countries which harbor air pirates and refusing their national airlines landing and servicing rights.

November 24: The German Democratic Republic was accorded observer status at the United Nations. (The Federal Republic of Germany has had an observer mission at the United Nations since 1953.)

November 27: Australia and 13 other countries sponsored a draft resolution on terrorism which called on the International Law Commission to draft a convention on the subject for presentation to a conference in November 1973 and created an ad hoc commit-

tee to study the causes of terrorism and report to the next session of the Assembly.

November 27: Afghanistan and 15 other countries sponsored a draft resolution on terrorism which requested U.N. members to submit concrete proposals for solution of the problem to the Secretary-General by June 1973 and would create an ad hoc committee to consider those recommendations and to report to the next session of the Assembly.

November 28: The U.N. General Assembly, by a vote of 93 to 0, with 26 (U.S.) abstentions adopted a resolution which invited comments and observations from States, specialized agencies, and interested inter-governmental organizations on draft articles prepared by the International Law Commission regarding crimes against diplomatic agents and other internationally protected persons. Such comments were to become part of the documentation for elaboration of a convention at the 28th session of the General Assembly in 1973.

November 29: The U.N. General Assembly, by a vote of 105 to 0, with 1 (U.S.) abstention, established a 35-member special committee on the World Disarmament Conference to examine all views and suggestions on the convening of such a conference and to present a report to the 28th session of the General Assembly. Thirty-one countries, including the Soviet Union, were appointed to the committee on December 20; four seats were "reserved for the nuclear States which may wish to become members * * * in the future."

December 7: The U.N. General Assembly, by a vote of 93 to 8 (U.S.), with 23 abstentions, condemned the continued importation by the United States of chrome and nickel from Rhodesia (Zimbabwe) "in open contravention of the provisions of Security Council resolution * * * and contrary to the specific obligations assumed by that Government under article 25 of the charter."

December 8: The U.N. General Assembly adopted the report of its Credentials Committee, except that it decided to withhold acceptance of the credentials of South Africa's delegation to the General Assembly.

December 8: A cabinet-level commission recommended to Sweden's Prime Minister the imposition of strict measures, both by the Swedish Government internally and within the international community, to counter acts of political terrorism.

December 11: The U.N. General Assembly adopted a resolution establishing the United Nations University, an educational and research institution to provide training at the postgraduate level, and to be financed from voluntary contributions. The Secretary General was requested to establish a founding committee which would draft a charter and report to the next session of the General Assembly on the implementation of this resolution.

December 12: The U.N. General Assembly unanimously adopted a resolution continuing the Office of the U.N. High Commissioner for Refugees for a further period of 5 years from January 1, 1974.

December 13: The U.N. General Assembly, by a vote of 81 (United States) to 27, with 22 abstentions, adopted a resolution instructing the Committee on Contributions to reduce to 25 the percentage contribution of the members paying the maximum contribution "as soon as practicable." The resolution stated that "as a matter of principle, the maximum contribution of any one Member State * * * shall not exceed 25 percent of the total."

December 13: The U.N. General Assembly, by a vote of 111 to 0, with 20 (U.S.) abstentions, adopted a resolution requesting the Committee on Contributions to lower the floor of the scale of assessments from 0.04 to 0.02 percent to allow the adjustments necessary for the developing countries, in particular those with the lowest per capita income.

December 13: The U.N. Economic and Social Council adopted a resolution admitting the German Democratic Republic to membership on the Economic Commission for Europe.

December 14: The U.N. General Assembly called on the Governing Council of the UNDP to convene a working group to examine and make recommendations on the best way for developing countries to share their capacities and experience with one another and to examine the relative possibilities and advantages of regional and interregional technical cooperation among them. A report on the recommendations of the working group was to be submitted by the Governing Council, through the Economic and Social Council, to the 29th session of the General Assembly in 1974. The Governing Council was also asked to consider measures required to reduce administrative costs of the program.

December 15: President Nixon took note that the ratifications necessary to bring the 1971 INTELSAT Definitive Agreements into effect had been received. The agreements were to enter into force 60 days from that date. (February 12, 1973).

December 15: The U.N. General Assembly, by a vote of 116 (U.S.) to 0, with 10 abstentions, adopted a resolution putting into effect certain institutional and financial arrangements for international environmental cooperation. The Assembly created a 58-member Governing Council for Environmental Programmes, to provide general policy guidance; a small Environmental Secretariat headed by an Executive Director; an Environmental Fund, financed by voluntary contributions; and an Environmental Coordinating Board, chaired by the Executive Director. In separate actions on the same day the Assembly located the Environment Secretariat in Nairobi, Kenya, and elected Maurice F. Strong as Executive Director.

December 16: President Nixon announced his intention to nominate John A. Scali to be U.S. Representative to the United Nations and U.S. Representative in the U.N. Security Council, with the rank of Ambassador, replacing George Bush.

December 18: The U.N. General Assembly unanimously adopted a resolution convening the first session of the Third U.N. Conference on the Law of the Sea at New York in November/December 1973, to deal with organizational matters; and convening the second session of the Conference at Santiago, Chile, in April/May 1974.

December 18: The U.N. General Assembly adopted without objection a resolution proclaiming 1975 International Women's Year.

December 18: The U.N. General Assembly adopted, by a vote of 76 to 35 (U.S.), with 17 abstentions, a resolution establishing an Ad Hoc Committee on International Terrorism to survey the observations and recommendations of member states on the subject and to report to the next session of the Assembly.

December 19: The U.N. General Assembly approved a budget for financial year 1973 totaling \$225,920,420. Assessments of member states would provide \$215,795,390 of the total. The budget for 1972 totaled \$213,124,410.

December 19: The U.N. General Assembly took note of the decision of the Fifth (Administrative and Budgetary) Committee requesting the Secretary-General to evaluate a worldwide U.N. lottery as a potential source of revenue.

December 19: The U.N. General Assembly, by a vote of 92 (U.S.) to 9, with 24 abstentions, adopted a resolution requesting the Secretary-General to transfer to a special account the balances of all unpaid assessed contributions for China prior to October 25, 1971, as part of the short-term deficit of the Organization.

December 19: The U.N. General Assembly, by a vote of 113 to 0, with 12 (U.S.) abstentions, adopted a resolution requesting the Secretary-General to establish a special account for voluntary contributions to be used to clear up past financial difficulties. All members were urged to make voluntary contributions either in cash or through the cancellation of obligations due from the United Nations.

December 31: The terms of five nonpermanent members of the U.N. Security Council expired. As of January 1, 1973, the Council would be composed of the following 15 members: Australia, Austria, *China*, *France*, Guinea, India, Indonesia, Kenya, Panama, Peru, Sudan, *U.S.S.R.*, *United Kingdom*, *United States* and Yugoslavia. (Italic indicates permanent members.)

FOREIGN AID AND INTERNATIONAL ECONOMIC POLICY¹¹

SUMMARY

The major events relating to foreign aid in 1972 were the debate and ultimate passage of the Foreign Assistance Act in Congress and the difficult negotiations with the developing countries at the U.N. Conference on International Trade and Development (UNCTAD) held in Santiago, Chile. In the area of international economic policy, the principal issues were the official devaluation of the dollar, the continuing U.S. balance-of-payments deficit, and the restructuring of the international monetary system.

Dramatic steps were taken toward expansion of trade with the Soviet Union in the immediate future and toward laying a foundation for trade with the Chinese People's Republic in the years ahead. The impact of the coming energy crisis as an important trade factor began to receive widespread attention.

Aid and Development

The 1971 Foreign Assistance Act authorization was not passed until February 1972, and the foreign assistance appropriation did not become law until March 8, 1972—almost 8 months into the fiscal year. The legislative progress of the Foreign Assistance Act of 1972 was equally difficult. The Senate version of the bill (consisting primarily of military assistance, because economic assistance had already been authorized for 2 years) was defeated on July 24, mainly because of the inclusion of a strong end-the-war amendment.

The House version of the bill (H.R. 16029) was passed only after the provisions concerning congressional approval of executive agreements and an end-the-war amendment were deleted on the floor. The Senate then passed the House version without the end-the-war amendment, but with a provision requiring Senate approval of the Azores base executive agreement. Because of a deadlock over the requirement for congressional approval of this executive agreement, the conferees on the foreign assistance authorization could not agree upon a final version of the bill by the time the 92d Congress adjourned. A continuing appropriation measure (H.J. Res. 1331) was passed on October 17—the day before adjournment—to provide legislative authority to carry the foreign assistance program into the next Congress. The continuing appropriation authorized funding at an annual rate of \$2.6 billion for economic and military assistance and was to expire on February 28, 1973.

The third U.N. Conference on Trade and Development (UNCTAD) was held from April 13 to May 20 in Santiago, Chile. World Bank

¹¹ Prepared by Theodor W. Galdi, analyst in international relations.

President Robert S. McNamara and Chilean President Salvador Allende addressed the opening session. Major concerns at the 5-week conference were monetary reform, including a tie between development aid and special drawing rights (SDR); the usefulness of commodity agreements; shipping and financing transactions and their effect on less developed countries; pollution and economic development; and levels of aid. Although the conference was widely regarded as an important one, it was generally agreed that little of substance was accomplished because of the diffuse nature of the agenda, a lack of preconference agreement among the participants on the major areas of discussion, and the extreme inflexibility of many of the developing countries.

U.S. Balance of Payments

The United States continued to run a large balance-of-payments deficit in 1972. Expectations that as the year progressed the balance of trade would begin to react significantly to the changes in the relative value of American products caused by the devaluation of the dollar were disappointed. The trade deficit for the first quarter was \$1.68 billion; for the second quarter, \$1.94 billion; for the third quarter, \$1.58 billion; and for the fourth quarter, \$1.67 billion. The prognostication of the President's deputy special trade representative, Harald Malmgren, that the total trade account deficit for the entire year would amount to from \$6 to \$7 billion proved to be accurate. The trade deficit had steadily increased through 1971 and early 1972, reaching a peak in the first quarter of 1972, then falling back slightly for the second and third quarters before increasing again in the fourth quarter.

International Monetary and Trade Policy

The groundwork for restructuring the international monetary system was laid during the annual meeting of the International Monetary Fund (IMF) in Washington toward the end of September 1972. The United States took the lead with a series of proposals for international monetary reform presented by Secretary of the Treasury George Shultz. These proposals dealt with: (1) exchange rates, (2) the reserve mechanism, (3) the balance-of-payments adjustment process, (4) capital controls, (5) the relationship of the proposed program to other negotiations, and (6) institutional implications.

With regard to exchange rates, the United States recommended that a par value be established for each currency with assured convertibility, that a fairly wide range of variation be allowed around par, and that the dollar be allowed to fluctuate against par like any other currency. Concerning the reserve mechanism, it was proposed that the SDR would eventually become the formal standard of the international monetary system, but that in the meantime, holdings of gold, dollars, or other currencies, which provided some flexibility to the system, would be neither banned nor encouraged. The U.S. proposal for a balance-of-payments adjustment process stemmed from the need to correct the existing asymmetry between the relatively light pressure upon surplus countries to revalue their currencies upwards and the heavier pressure upon deficit countries to devalue. It was argued

that a surfeit of reserves would serve as an objective indicator of imbalance and produce pressure for adjustment on the surplus side in much the same way that a loss of reserves currently did on the deficit side. Thus, disproportionate gains or losses in reserves were seen to be the most equitable and effective single indicator to guide the adjustment process.

Secretary Shultz also discussed his proposals in relation to other negotiations. He noted that the General Agreement on Tariffs and Trade (GATT) negotiations planned for 1973 did not need to be held up until monetary reform had been achieved, nor should monetary reform await the results of trade negotiations. He recommended that the Committee of Twenty (a group of IMF representatives from developed and less-developed countries which had been set up in July to consider international monetary reform) give its attention to problems of tariff surcharges or capital controls imposed for balance-of-payments reasons, and that the Committee coordinate efforts to harmonize taxation of international trade and investment, export credits, and subsidies to international investment. The proposals also had institutional implications. While Shultz reiterated support of the need for the IMF to play an expanded, more critical role in the world economy, and for the development of a closer working relationship between the GATT and the IMF, he also indicated that the nature of the decisions pending before these bodies would require an institutional framework consisting of representatives of high stature having access to the highest levels of their governments.

The Committee of Twenty held its first official meeting during the annual meeting of the IMF in September, when it was given the task of preparing a draft outline for international monetary reform in anticipation of the next annual IMF meeting to be held in Nairobi, Kenya, in September 1973. The Committee held its first substantive talks November 27-29.

U.S. Bilateral Trade Developments

The most significant events of 1972 in the area of U.S. bilateral trade relations concerned the evolution of U.S. trade policy vis-a-vis the Soviet Union and the Chinese People's Republic, respectively. The President's trip to Moscow in May marked the beginning of a major change in Soviet-American trade relations. That same month, a joint commission to devise a comprehensive trade agreement was established, and on July 8 it was announced that the Soviet Union had agreed to purchase \$750 million in wheat and feed grain from the United States over the next 3 years. Originally, a \$500 million line of credit from the Commodity Credit Corporation was to have financed these purchases, but, because of exceptionally large shortfalls in Soviet grain production, the Russians immediately entered the open market and eventually purchased over \$1 billion worth of grain by mid-August. Both the way in which the wheat sale was negotiated and its domestic impact evoked allegations of windfall profits for U.S. grain dealers. One of the grain dealers, Cargill Corp., released a special audit showing that it would actually suffer a loss on its part of the sale, and the two largest dealers, the Continental and the Bunge Corps., indicated that they did not expect to make any unusual profits.

On October 18, a 3-year U.S.-U.S.S.R. trade agreement was signed in Washington by Commerce Secretary Peterson and Soviet Foreign Trade Minister Patolichev. The five major provisions of the agreement dealt with: (1) Tariff questions whereby each country would grant the other most-favored-nation treatment (the required congressional approval to enable the United States to reduce its tariffs, however, had not been voted on by the time Congress adjourned October 18); (2) an antidumping agreement in accordance with which each Government agreed not to ship a product that the other declared would cause, threaten, or contribute to a disruption of its domestic market; (3) reciprocal trade credits whereby each government was to make available to the other the usual and customary credits used for financing trade; (4) business facilities whereby the United States would be allowed to open a government-sponsored commercial office in Moscow to help American businessmen dealing with the Russians, and a similar office would be opened by the Russians in Washington; and (5) arbitration arrangements under which settlement of commercial disputes between American businessmen and their Russian counterparts would be encouraged under the arbitration rules of a U.N. agency in a third country (previous Soviet policy had required arbitration of disputes through a Moscow agency composed of 15 Russians).

At the same time that the 3-year trade agreement was concluded, the Soviet Union agreed to pay at least \$722 million over a 28-year period in order to liquidate its World War II lend-lease debt, while the U.S. Export-Import Bank concluded an agreement which would treat the Soviet Union the same as any non-Communist country.

While not as dramatic as the evolution of United States-U.S.S.R. trade relations, trade with the Chinese People's Republic began to increase from the near-embargo conditions which had existed until 1972. The arrangement whereby the Chinese purchased from RCA the television satellite ground relay station used to transmit news of President Nixon's Peking trip in February, and the sale of 10 Boeing 707 jet aircraft in September, marked the first major transactions involving American goods and the Chinese People's Republic in 23 years.

The United States attempted to negotiate changes in Japanese trade policy during the year to decrease the trade deficit which reached over \$4 billion by year's end. Japanese steel producers were included in the voluntary steel agreement signed in May. But further negotiations by the President's special trade representative in Japan on trade matters in general failed to increase potential U.S. exports. The Nixon-Tanaka meeting in Hawaii on August 31 and September 1 resulted in Japanese promises to buy \$1.1 billion worth of American goods over an unstated period of time.

The Energy Problem

The foreign policy aspects of possible shortages in U.S. energy supplies began to receive widespread attention in 1972. Treasury Secretary John Connally testified before the Energy Subcommittee of the

House Interior Committee in April, noting that the recent price rises and other activities of the members of the Organization of Petroleum Exporting Countries (OPEC) were forcing consuming nations to band together more closely to assure energy supplies at reasonable prices.

Five days of hearings on the foreign policy aspects of the energy crisis, held in September and October by the House Foreign Affairs Subcommittee on Foreign Economic Policy, elicited estimates of annual energy imports by 1985 in the \$20 to \$40 billion range, with most of the oil coming from Arab states. The relationship between U.S. energy needs and United States-Israeli relations in light of the Arab-Israeli conflict was examined by several witnesses.

The general agreement by five Persian Gulf oil-producing states to undertake "participation" in the management of the oil firms was a clear indication of the changed balance of power between the oil-producing states and the oil companies. (Also see section on Middle East and North Africa.) The general agreement, to be implemented through individual agreements between each producer and each oil company, provided for 51 percent control of oil company operations in the producing states by 1983. It was anticipated that "participation," combined with the predicted increases of oil exports to this country and the expected price increases, would exacerbate an already poor U.S. balance-of-payments situation.

Not only did the energy problem threaten to have an adverse impact on the U.S. balance of payments in the future; there appeared also to be the possibility of an international shortage of oil which could particularly affect the United States. This was highlighted by Kuwait's announcement on December 27 that a freeze on production levels begun in 1972 would continue through 1973. Meanwhile, the harsh winter and local fuel shortages experiences in parts of the United States in late 1972 intensified the need for oil imports.

CHRONOLOGY

January 19: A Presidential message on economic assistance and private investment in developing countries outlined U.S. policy in response to expropriations: The United States would expect that any takeover be nondiscriminatory and for a public purpose, and that prompt and adequate compensation be given. Otherwise, new bilateral U.S. benefits and U.S. support for loans under consideration in multilateral institutions would be withheld. The message called for arbitration and adjudication of disputes under World Bank aegis.

January 25: The House accepted the conference report for the 1971 Foreign Assistance Authorization. The bill was signed into law by the President on February 7, 1972 (Public Law 92-226).

January 27: President Nixon nominated Peter G. Peterson as Secretary of Commerce to replace Maurice Stans. Peter M. Flanigan was nominated to succeed Peterson as Special Assistant to the President for International Economic Affairs.

January 29: President Nixon nominated Marina Whitman to the Council of Economic Advisers. Her principal areas of concern were indicated as international economic relations and the Price Commission.

February 9: The administration sent to Congress a draft bill that would formally devalue the dollar by raising the price of gold from \$35 an ounce to \$38 an ounce. Devaluation was promised by the United States at the December 1971 international monetary conference held at the Smithsonian Institution. (On April 3, President Nixon signed into law the bill authorizing devaluation of the dollar by 7.89 percent. This was accomplished by raising the price of gold 8.57 percent from \$35 an ounce to \$38 an ounce. The devaluation became official when the IMF was notified by the Secretary of the Treasury.)

February 15: The Commerce Department released fourth-quarter and final balance-of-payments figures for 1971. On the official reserve transactions basis the deficit was \$29.6 billion, while the deficit on the net liquidity basis came to \$22.2 billion. In addition, for the first time in this century, the trade account was in deficit—\$2.9 billion. In 1970, there had been a surplus of \$2.1 billion.

February 16: Treasury Secretary John Connally told the Joint Economic Committee that the United States could not afford to return to dollar convertibility in 1972. He stated that it would be "sheer folly" to resume convertibility before there was convincing evidence of improvement in the U.S. balance-of-payments.

March 1: Congress passed the International Development Agency (IDA) authorization. (By April 27, the IDA had run out of money because of the failure of Congress to pass a supplemental appropriation bill containing \$960 million for IDA over a 3-year period.)

March 8: The President signed the Foreign Assistance Appropriation for fiscal year 1972 (Public Law 92-242), more than 8 months into the fiscal year. The \$3.1 billion amount was \$1.2 billion less than the administration requested.

March 14: Secretary of State Rogers appeared before the House Foreign Affairs Committee to support the administration's \$2.1 billion request for fiscal year 1973 military assistance. Included in the request was \$780 million for grant assistance, \$527 million for military credit sales, and \$844 million for supporting assistance.

March 24: The Senate Foreign Relations Committee decided to conduct a long-range investigation into the impact of multinational corporations on U.S. foreign policy, beginning with the activities of International Telephone & Telegraph Co. (ITT) in Chile. However, no hearings were to be held on ITT and Chile until after the Senate Judiciary hearings on the nomination of Richard Kleindienst to be Attorney General were concluded, and no public hearings on other multinational corporations were to be held until after the Presidential election in November.

April 13-May 20: The Third United Nations Conference on Trade and Development (UNCTAD) met in Santiago, Chile. Major issues raised by the conference concerned monetary reform, commodity agreements, shipping and financing transactions, pollution, and levels of aid.

April 18: Secretary of the Treasury John Connally testified before the Energy Subcommittee of the House Interior and Insular Affairs Committee. He stated as his "personal views" that the goals of U.S. energy policy were to insure the adequacy and security of energy supplies, the minimization of balance-of-payments costs and real costs to consumers, and fair treatment of producing and consuming countries. On the last point, he indicated that in light of the recent behavior of OPEC countries, the United States and other consuming countries would have to draw closer together in their common interest.

April 27: The Commerce Department reported that the United States had the largest quarterly trade deficit in its history in the first 3 months of 1972. The \$1.5 billion deficit represented the difference between \$4.47 billion in imports and \$3.89 billion in exports. The leading item in the import account was oil. Some lag in exports was attributed to the late settlement of the dock strike on February 20.

April 27: Curtis W. Tarr, former director of the Selective Service System, was confirmed by the Senate to be Under Secretary of State. Tarr was to serve as Coordinator for Security Assistance, filling a new position created by the Foreign Assistance Act of 1971 to deal with all U.S. foreign military aid programs.

April 27-28: The semiannual high-level meeting of the United States and the European Economic Community (EEC) Commission took place in Brussels. An extensive agenda precluded any negotiations. At the request of the United States, a meeting was arranged with the EEC Commission vice president responsible for energy matters in order to examine long-range energy concerns.

May 2: Canada announced plans to tighten controls against takeovers of Canadian businesses by foreign firms. Under proposed legislation, the Canadian Government would screen takeover bids for Canadian firms whose annual revenues exceeded \$3 million. The proposal did not apply retroactively, and takeovers "for the benefit of Canada" were still allowed.

May 6: The White House announced agreements with Japan and seven European countries concerning a new 3-year program of restraints on steel exports into the United States. The agreement covered 85 percent of U.S. steel imports and reduced from 5 to 2.5 percent the average annual growth rate allowed in exports of steel mill products to the U.S.; set specific tonnage limits on stainless, tool, and alloy steels; limited shifting of product categories within tonnage limitations; and restricted geographic concentration.

May 7: The Ford Foundation initiated a 15-month study of the energy situation facing the United States in the future. The \$2 million study was directed by S. David Freeman, former head of the energy policy staff at the White House. The project was to attempt to cover all aspects of the energy problem, including the structure of the energy industry, the environmental impact of energy use, land use planning, the management of Federal energy resources, and the foreign policy implications of large energy imports.

May 12: Speaking before the 1972 International Banking Conference in Montreal, Federal Reserve Board Chairman Arthur Burns proposed 10 requirements for a reformed international monetary system. Among them he proposed that there should be much greater consultation and cooperation between countries; substantial autonomy of domestic economic policies; reasonably stable but flexible exchange rates to allow more prompt parity changes; a symmetry in treatment between surplus and deficit countries; a steady decline in the role of gold as a reserve asset; reestablishment of convertibility of the dollar; and a significant lessening of restrictive trade practices.

May 16: President Nixon announced the resignation of Treasury Secretary John Connally. His successor was George P. Shultz, former Director of the Office of Management and Budget.

May 23: The United States and the Soviet Union announced the formation of a joint Commission to devise a comprehensive trade agreement that proved to be impossible to reach during President Nixon's visit to Moscow. Basic issues outstanding concerned most-favored-nation treatment for the U.S.S.R., long-term credit arrangements, mutual points of business contact in each country, and the creation of an arbitration mechanism for settling trade disputes.

May 26: Undersecretary of State John N. Irwin told a ministerial meeting of the Organization for Economic Cooperation and Development (OECD) that its 23 highly industrialized members faced a severe shortage of energy supplies by 1980, which could result in major economic disruptions. He stated that by the end of the decade OECD countries might require 26 million additional barrels of oil a day, an amount equal to the combined 1972 daily consumption of the United States and all of the Western European members of the OECD.

June 1: President Hassan Bakr of Iraq announced the nationalization of the Western-owned Iraq Petroleum Co. The decision followed negotiations between IPC and Iraq in which the Government asked for an increase in the company's oil production that had fallen from 1.2 million barrels a day in February to 649,000 barrels a day in April. Shell, BP, and the French CFP each owned 23.7 percent of IPC, while U.S. firms owned 12 percent. The assets of IPC and its two subsidiaries were valued at \$350 million. Immediately following the nationalization of IPC holdings by Iraq,

the Syrian Government announced the nationalization of the IPC pipeline which carried oil from Iraq to the Mediterranean.

June 12: The Senate took up the Foreign Assistance Act of 1972. Administration supporters were planning a series of amendments to restore \$550 million cut from the bill by the Senate Foreign Relations Committee. Action to strike the Mansfield amendment calling for withdrawal of all U.S. ground forces from South Vietnam by August 31 without preconditions generated a good deal of controversy, but finally succeeded.

June 22: Great Britain allowed the pound sterling to float in relation to its par value. The immediate effect of the action was a fall in the price of the pound in world money markets.

June 23: In keeping with its policy of withholding support for multilateral loans to countries which expropriate without compensation U.S. firms in foreign countries or foreign companies partially owned by U.S. firms, the United States cast its first formal vote against a loan by the World Bank. At issue was a loan of \$13.4 million for education projects in Iraq. When Iraq had nationalized the Iraq Petroleum Co., partly owned by U.S. firms, it had failed to pay compensation. The Bank loan was approved, however, in spite of the U.S. position.

June 27: Ministers of the 11-nation Organization of Petroleum Exporting Countries (OPEC) met in Vienna to discuss the takeover of foreign oil company operations in their countries. OPEC members want effective control by 1985 of all local oil operations instead of leasing them to Western oil companies. The meeting was also to discuss the creation of a fund to help finance member-nation disputes with foreign oil firms.

July 8: The Soviet Union agreed to purchase \$750 million in wheat and feed grains from the United States over the next 3 years. The deal would be financed partially through a \$500 million line of credit extended by the U.S. Commodity Credit Corporation, to be repaid within 3 years. The Soviet Union would pay the current going rate on CCC financing of $6\frac{1}{8}$ percent.

July 20: A U.S. team headed by Commerce Secretary Peterson began 10 days of negotiations in Moscow on a comprehensive trade agreement between the United States and the U.S.S.R. The meetings of the Soviet-American Commercial Commission dealt with the issues of most-favored-nation treatment for Soviet goods, credit arrangements for trade, creation of an arbitration mechanism for commercial disputes, patent licensing, and tax problems. Also on the agenda was a study of joint U.S.-U.S.S.R. participation in the development of Soviet natural resources. Settlement of the World War II Soviet lend-lease debt was regarded as critical to progress in the talks.

July 21: The European Economic Community (EEC) finished negotiations for the establishment of an industrial free trade area with six nations of the European Free Trade Association (EFTA)

that did not join the EEC with Great Britain. By 1978, a 16-nation free trade zone, accounting for 40 percent of world trade in industrial exports, was anticipated. Except in the case of Portugal, agricultural products were not included in the agreement.

July 24: Following the acceptance of a strong end-the-war amendment proposed by Senator Cooper, the Senate defeated the 1972 foreign assistance authorization (S. 3390) by a vote of 48 to 42.

July 28: A 4-day negotiating session between United States and Japanese trade representatives ended with little progress. The American group headed by the President's special trade negotiator had hoped to receive assurances from the Japanese that they would reduce their present \$3.8 billion surplus with the United States a billion a year over the next 2 years.

August 1: The Senate passed S. 3726, the Equal Export Opportunity and International Economic Policy Act of 1972, by a vote of 80 to 3. Title I of the act extended the authority of the Export Administration Act of 1969 and mandated a study of the Export Control program to determine which items should no longer be subject to export control. Title II authorized \$1.4 million for fiscal year 1973 and provided for a 1-year statutory authorization for the Council on International Economic Policy, already established by Executive order in January 1971 to coordinate international economic policy.

August 3: The House passed H.R. 15989, the International Economic Policy Act of 1972, originally designed to extend the Export Control Act and to establish by statute a Council on International Economic Policy. Before passage, Title I, which would have established a Council on International Economic Policy, was stricken from the bill by a voice vote. The House then took the Senate bill (S. 3726) on the same subjects, substituted its text for the Senate bill, and requested a conference on the differences in the House and Senate versions.

August 9: The Agriculture Department estimated that on the basis of purchases made so far, the Soviet Union would buy \$1 billion worth of farm products from the United States in the next 12 months. This figure far exceeded the minimum \$200 million a year which the Russians agreed to purchase in the July 8 agreement with the United States. About \$500 million of the expected sales was to be in wheat.

August 10: Following the rejection of an amendment designed to fix a date for the total withdrawal of U.S. military forces from Indochina, the House passed H.R. 16029, the 1972 Foreign Assistance Act authorization, and referred the bill to the Senate. The \$2.1 billion authorization was composed of \$730 million in grant aid, \$529 million in military credit sales, \$769 million in economic supporting assistance, and \$100 million for refugee relief in Bangladesh.

August 29: The Subcommittee on Foreign Economic Policy of the House Foreign Affairs Committee issued a series of recommenda-

tions designed to create a more effective trade adjustment assistance program. The recommendations were made to forestall further demands for protectionist legislation. They included the creation of a trade adjustment administration in the Government; development of a national employment service; the requirement that U.S. firms moving abroad notify the Government in advance and help plan for the reemployment of U.S. workers; and easing of the present criteria for obtaining adjustment assistance.

August 29: The President signed S. 3726, the Equal Export Opportunity Act and the International Economic Policy Act of 1972, into law (Public Law 92-412). The bill, as passed, provided for the extension of the Export Administration Act until June 30, 1974, and for a 1-year statutory authorization of the Council on International Economic Policy; \$1.4 million was authorized for the Council for fiscal year 1973.

September 1: President Nixon and Japanese Premier Tanaka concluded a 2-day conference in Hawaii. A trade announcement released with the final joint communique indicated that the Japanese had agreed to purchase \$1.1 billion worth of American goods.

September 6: The General Accounting Office announced that it would investigate whether the recent United States-Russian wheat deal had led to excess profits for a few large grain dealers and increased costs for American consumers. The investigation was requested by Representative du Pont, who also asked the Justice Department to investigate possible conflicts of interests in the case of former Agriculture Department officials who joined firms involved in the sales.

September 11: It was reported that the People's Republic of China had concluded a contract with representatives of the Boeing Co. for the purchase of 10 Boeing 707 aircraft, crew training, and spare parts. The total cost of the transaction was expected to be \$150 million.

September 26: Secretary of the Treasury George Shultz proposed a comprehensive six-point program for international monetary reform at the annual meeting of the International Monetary Fund in Washington. His proposals dealt with: (1) exchange rate changes and convertibility, (2) the SDR as a unit of account, (3) methods for adjusting balance-of-payments imbalances, (4) the extent of capital controls, (5) recommendations for changes in international monetary institutions, and (6) the relationship of his program with pending trade negotiations.

September 26: The Senate passed its version of H.R. 16029, the Foreign Assistance Act of 1972 (see entry for August 10). It set the authorization figures at \$600 million for grant military aid, \$435 million for military credit sales, \$685 million for economic supporting assistance, and \$100 million in relief for Bangladesh, for a total of \$1.8 billion. The House requested a conference on the Senate amendments to H.R. 16029.

October 3: The Subcommittee on Foreign Economic Policy of the House Foreign Affairs Committee concluded the last of five hearings on the Foreign Policy Implications of the Energy Crisis. The hearings were held to examine the nature and extent of demands for energy in the United States, alternative sources of energy, and the impact on U.S. foreign policy of expected dependence on large imports of oil from the Middle East and other areas, including the Soviet Union.

October 5: Representatives of the five major Persian Gulf oil-producing states and the major western oil companies reached agreement in New York on terms for the producers to eventually assume working control over the oil companies' concessions. Each producer was to negotiate separate agreements with the oil companies operating within its territory in order to implement the principles contained in the general agreement. Issues to be decided on a country-by-country basis concerned the compensation to be paid the companies for their holdings, the oil prices to apply, and the methods of carrying out the accord to assure that participation reached 51 percent in the 1980's.

October 17: As a result of the failure of the conferees to reach agreement on the foreign assistance authorization (H.R. 16029) after three meetings, Congress passed House Joint Resolution 1331. This resolution provided a continuing appropriation to carry the foreign assistance program over into the next Congress. The 92d Congress adjourned October 18. Funds for economic assistance were appropriated at an annual rate of \$1.06 billion, and for military assistance at an annual rate of \$1.55 billion. House Joint Resolution 1331 was to expire February 28, 1973.

October 18: A 3-year United States-Soviet Union trade agreement was signed by Commerce Secretary Peterson and Soviet Foreign Trade Minister Nikolai Patolichev. It contained the following major provisions: (1) each country would grant the other most-favored-nation tariff treatment; (2) to prevent dumping, the Russians agreed to a procedure whereby they would not ship goods that the U.S. Government declared disruptive to its domestic market; (3) each Government would make available to the other its "usual and customary" trade credit arrangements; (4) the United States would be permitted to open a Government-sponsored commercial office in Moscow to aid U.S. businessmen in their dealings with the Russians, and a similar Soviet office would be opened in Washington; and (5) settlement of commercial disputes would be encouraged under the arbitration rules of a U.N. agency in a third country.

October 18: Accompanying the United States-Soviet Union trade agreement was a second agreement settling Russia's World War II lend-lease debt. This agreement, signed by Secretary of State Rogers and Soviet Foreign Trade Minister Patolichev, stated that the Soviet Union would pay at least \$722 million over a 29-year period ending in 2001. The amount could rise to \$759 million if the

Russians took advantage of the maximum four deferments of annual payments allowed under the agreement.

November 3: In response to allegations of windfall profits as a result of the Soviet grain deal, Cargill Inc., the third largest seller of wheat to the Russians, made public an audit by the accounting firm of Peat, Marwick, Mitchell & Co. which indicated that Cargill would lose at least \$661,000 on its \$119 million share of the sale. The two other major sellers, Bunge Corp. and Continental Grain Corp., did not indicate whether they had plans for special audits of their transactions with the Soviet Government.

November 4: Six American companies negotiating an agreement to bring 2 billion cubic feet a day of liquified natural gas to the east coast of the United States from the Soviet Union indicated that they expected a deal to be signed before the end of the year. The agreement would cover the exchange of Soviet gas for U.S. goods and services over a 25-year period and would require \$7 billion in financing.

December 7: It was announced that Peter G. Peterson would be replaced as Secretary of Commerce by Frederick B. Dent, a South Carolina textile manufacturer. Mr. Peterson undertook a special study for the President concerning ways in which the United States could better coordinate its economic policy with that of its major trading partners. The study was to be completed before the spring of 1973, when Mr. Peterson would return to private life.

December 13: The Commerce Department reported that the basic U.S. balance-of-payments deficit had increased from \$1.8 billion in the second quarter to \$2.2 billion in the third quarter. On the net liquidity basis, the deficit increased from \$2.2 billion in the second quarter to \$4.4 billion in the third, and on the official reserves transaction basis from a \$3.7 billion deficit to \$4.6 billion.

December 20: Harald Malmgren, Deputy Special Presidential Assistant for Trade Negotiations, indicated that in 1972 the United States would run a trade deficit with every major industrialized area in the world, including the EEC. In 1971, the United States had a \$1.3 billion trade surplus with the EEC, but in 1972, it was expected to be about \$400 million in deficit. Worldwide, the United States balance of trade was expected to be in deficit to the extent of \$6 to \$7 billion.

December 27: Abdel Rahman Salem al Atiqi, Minister for Petroleum and Finance of Kuwait, announced that Kuwait would continue to limit production of petroleum to present levels in order to preserve the country's reserves. Oil production averaged 3 million barrels a day in 1972, and al Atiqi indicated that this figure would rise by no more than 1 percent in 1973.

ARMS CONTROL AND DISARMAMENT¹²

SUMMARY

In the field of arms control and disarmament, the year of 1972 witnessed a number of major accomplishments. Two landmark agreements limiting strategic nuclear weapons were concluded in May between the United States and the Soviet Union as a result of negotiations which had been carried on since November 1969. The first agreement, the Treaty on the Limitation of Antiballistic Missile Systems, put a ceiling on the number of antiballistic missiles allowed to each country. The second was an executive agreement, the Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms, which froze for a 5-year period the number of offensive strategic weapons (land- and sea-based missiles) in place or under construction in either country. This latter agreement was intended to be a temporary measure until a more comprehensive limitation on this type of weapon could be concluded in further negotiations.

Congressional consideration of the agreements gave rise to some controversy over the terms of the agreements, especially the interim agreement. After lengthy debate in both Houses, a number of amendments to the joint resolution approving the interim agreement were passed. Prominent among them was the amendment introduced by Senator Henry Jackson, which called on the President to conclude a future treaty which would not place the United States in a position of inferiority. The ABM Treaty was approved by the Senate on August 3, and in September both Houses passed the joint resolution, as amended, approving the interim agreement. The treaty and executive agreement entered into force on October 3.

The Strategic Arms Limitation Talks (SALT) resumed on November 21, and on December 21, the negotiators concluded a memorandum of understanding establishing a consultative commission to oversee compliance with the terms of the agreements previously concluded.

In addition to these agreements there were other achievements in arms control during 1972. In February, the U.S. Senate approved a multilateral Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Seabed and Ocean Floor and in the Subsoil Thereof. This treaty entered into force in May. Another area of major significance concerned biological weapons, which were the subject of a ban concluded in 1971 at the Conference of the Committee on Disarmament (CCD). Signed by the President on April 10, the agreement was submitted to the Senate on August 10. No further action on this convention was taken by the United States during 1972.

¹² Prepared by Leneice Wu, analyst in U.S. foreign policy.

A number of other issues concerning arms control continued to be matters of consideration in various international forums. Throughout the year, the CCD negotiations concentrated on the questions surrounding a chemical weapons ban, and a ban on underground nuclear weapons testing. Adequate inspection to insure compliance with future agreements on both of these questions seemed to present a major stumbling block to the successful conclusion of pertinent arms control arrangements. The nuclear weapons testing ban was also discussed at the U.N. Conference on the Human Environment held in Stockholm in June, when a declaration condemning all nuclear testing was passed. A related development was the agreement in September between the United States and the Soviet Union on a pact which allowed each country to station scientific equipment in the other country. This arrangement was thought to be a possible forerunner for a comparable arrangement should a comprehensive nuclear test ban be concluded.

In December, the U.N. General Assembly passed a resolution calling on nuclear powers to refrain from nuclear testing in the South Pacific, an area where France had conducted its nuclear testing program during the year. The month before, the Assembly had adopted a resolution (the United States abstained) establishing a Special Committee on the World Disarmament Conference to examine views and make suggestions on the convening of such a conference, to be reported to the 28th General Assembly in 1973.

Besides acting on the arms control agreements which had been concluded, the Congress directed its attention to several other arms control issues. In May, a subcommittee of the Senate Foreign Relations Committee held hearings on a comprehensive nuclear weapons test ban. In a related move one Senate amendment supported transferring funds for seismic research (instrumental to monitoring underground nuclear testing) from the Department of Defense to the U.S. Arms Control and Disarmament Agency (ACDA). Though this measure failed passage, another congressional initiative resulted in ACDA's being required to submit a report to the Congress concerning conventional arms transfers, a study which might contribute to understanding the arms control implications of the issue. Finally, while new strategic weapons systems were a constant concern, the conclusion of the SALT agreements raised additional questions in the Congress regarding the future of U.S. defense programs, in the light of the U.S. achievements in arms control.

CHRONOLOGY

February 4: In Vienna, the sixth round of the strategic arms limitation talks (SALT) ended. According to press reports, progress had been made toward an initial agreement to limit ABM's, while the issue of limitation on submarine-based missiles remained a topic for further negotiation.

February 9: In his annual foreign policy message to the Congress, President Nixon stated that the United States and the Soviet Union were approaching agreement at SALT. He said that "a consensus is developing" on a comprehensive limitation of ABM's, plus an "interim solution on offensive weapons." Comprehensive limitations on the offensive weapons "would be considered in a second phase of negotiations."

February 15: By a vote of 83 to 0, the Senate approved the Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Seabed and the Ocean Floor and in the Subsoil Thereof (Seabed Arms Control Treaty).

February 29: The U.N. Conference of the Committee on Disarmament (CCD) opened in Geneva for its session of 1972. U.N. Secretary-General Kurt Waldheim addressed the body, and urged the conclusion of a complete ban on nuclear weapons testing.

March 21: As a prelude to the March 28 resumption of the SALT negotiations, President Nixon met with the General Advisory Committee of the U.S. Arms Control and Disarmament Agency (ACDA) and with U.S. negotiator Gerard C. Smith in two separate meetings. It was reported that the U.S. concern for a freeze on submarine-based missiles was expected to be a major issue in the pending negotiations.

March 28: At the CCD, the Soviet Union submitted a draft treaty to ban and destroy chemical weapons.

March 28: The seventh round of the SALT negotiations opened in Helsinki. U.S. and Soviet negotiators met at the Russian Embassy for 90 minutes.

April 10: President Nixon signed the Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons, and on their Destruction. Similar ceremonies were held in London and Moscow. Seventy-nine other countries, including the Soviet Union, signed the treaty, which would enter into force when 22 countries, including the United States, Great Britain, and the Soviet Union had ratified it. By the end of 1972, the United States had not ratified the treaty.

April 13: At the CCD, the representative from Sweden criticized the Soviet draft treaty for a chemical weapons ban on grounds that inspection provisions were inadequate. It was the first open criticism of the draft treaty.

April 27: The CCD adjourned in Geneva.

May 1: The White House announced that as a result of secret exchanges between President Nixon and Soviet Communist Party leader Leonid Brezhnev, the two countries had agreed to give new instructions to SALT negotiators. Press Secretary Ziegler stated that this agreement indicated "a major advance and a broadened scope of an offensive freeze," and that "the possibilities of reaching agreement have been substantially increased."

May 3: It was reported that the most recent U.S. proposal at SALT, to which the Soviets were expected to agree, included as part of an initial agreement a freeze at existing levels of the number of land- and submarine-based missiles and a limit of two ABM installations in each country.

May 15: The Arms Control Subcommittee of the Senate Foreign Relations Committee held hearings on the issue of a comprehensive

nuclear test ban. Among the witnesses were Senators Edward Kennedy, Philip Hart, and Charles Mathias, ACDA Deputy Director Philip Farley, and Jo Pomerance, cochairman of a citizens' task force. No further congressional action was taken during 1972 on this issue.

May 18: The Seabed Arms Control Treaty to prohibit the emplacement of nuclear weapons on the seabed entered into force. The United States, Great Britain, and the Soviet Union deposited their ratifications in ceremonies in London, Moscow, and Washington.

May 26: In Moscow, President Nixon and General Secretary of the Soviet Communist Party Leonid Brezhnev signed two agreements which had been concluded at SALT. One, the Treaty on the Limitation of Anti-Ballistic Missile Systems (ABM Treaty), limited defensive weapons in each country. The second, the Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms (Interim Agreement), was an executive agreement with a time limit of 5 years. The ABM treaty was of unlimited duration.

May 30: The Senate passed an amendment to the bill providing authorizations for certain foreign affairs agencies. The amendment changed the amount of money authorized for ACDA from \$31,995,000 to \$22,000,000, thereby keeping seismic research in the Defense Department. The proposal to transfer it to ACDA had been made earlier by Senator Case.

May 31: The Senate passed an amendment to the Foreign Relations Authorization Act which required ACDA, in cooperation with other interested departments, to prepare a comprehensive report on the international transfer of conventional weapons.

June 1: President Nixon addressed a joint session of Congress and urged congressional approval of the two arms control agreements from SALT.

June 13: The President submitted to the Senate and the House two arms control agreements resulting from SALT; agreed interpretations; and separate statements by the United States and the Soviet Union on matters in which agreement had not been reached.

June 15: Assistant to the President Henry Kissinger held a briefing for Congressmen on SALT. He indicated that the Soviets might be willing to accept a MIRV testing ban. President Nixon also participated in the briefing.

June 16: At the U.N. Conference on the Human Environment in Stockholm, a declaration was adopted by acclamation which in effect called for an end to nuclear testing. Because The People's Republic of China would not accept the declaration, there was speculation that the country might be preparing a new series of nuclear tests. Earlier, on June 12, the Conference had adopted a resolution condemning nuclear weapons tests, especially those conducted in the atmosphere.

June 20: The second 1972 session of the CCD opened in Geneva, where the United States and the Soviet Union placed the question of a ban on chemical weapons at the top of the agenda. A press report noted that it was possible that secret bilateral talks might have been taking place in Geneva on a comprehensive nuclear test ban.

June 22: In a press conference, President Nixon supported Secretary of Defense Laird's position that U.S. security would be jeopardized if the SALT agreements were approved without approval by Congress of new weapons programs. Moreover, without these new programs, hopes for additional SALT accords would be dim. Nixon recalled earlier remarks that Soviet party chief Brezhnev had made to him of the Soviet intention to continue to develop its offensive weapons within the terms of the SALT agreements.

June 29: At a press conference, President Nixon stated that if the SALT agreements had not been concluded, there would have been an extra \$15 billion a year needed for new weapons. He added that some weapons would continue to be developed in the event that they were needed after the 5-year SALT agreement ran out; he mentioned the B-1 bomber as an example in this category.

August 3: By a vote of 88 to 2, the Senate approved the treaty between the United States and the Soviet Union to limit ABM systems.

August 3: It was reported that Senator Henry Jackson would introduce an amendment to the resolution approving the interim agreement limiting offensive weapons; though nonbinding, it would constitute a Senate interpretation of the agreement. Jackson proposed that in any future agreements the United States should insist on equality in number of launchers and in total throw weight. He stated that he had administration backing; rather than indicating full support, however, White House spokesmen said the amendment was "consistent with U.S. policy."

August 8: In introducing his amendment formally, Senator Jackson modified the language of his controversial amendment through a resolution approving the interim agreement, which gained full administration support. He omitted any reference to warning the Russians that their deployment of certain weapons, though not prohibited by the agreement, would constitute a basis for U.S. withdrawal from the agreement. A White House spokesman said that the new language did not contravene anything already agreed upon between the United States and the Soviet Union.

August 10: The President submitted to the Senate for approval the convention to prohibit the development, production, and stockpiling of bacteriological weapons. It had been opened for signature on April 10, 1972. (See entry for April 10.) Hearings had not been held on the convention by the end of 1972.

August 28: The House approved by a vote of 329 to 7, the interim agreement to limit offensive weapons in the United States and the Soviet Union.

September 4: An Izvestia commentary criticized Senator Jackson's efforts to attach conditions to the resolution approving the interim agreement (see August 8 entry); it also cited projected Pentagon programs as violations of the spirit of the agreement.

September 7: The CCD adjourned its 1972 session without concluding any new arms control treaties. Differences on verification methods apparently presented difficulties in gaining agreement on a chemical weapons ban and a ban on underground nuclear weapons tests. In the CCD's report to the U.N. General Assembly, reference was made to including all nuclear powers (i.e., China and France) in the CCD talks.

September 7: By a vote of 84 to 1, the Senate passed an amendment to the interim agreement between the United States and the Soviet Union to limit offensive strategic arms. Introduced by Senator Mansfield, the amendment declared that neither country should seek "unilateral advantage at the expense of the other" and that the security relations of the two should be based on "the principle of equality." The amendment represented a Senate interpretation which was not binding on the parties to the agreement.

September 12: Senator Mansfield filed a cloture petition to cut off debate on the interim agreement to limit offensive strategic weapons in an effort to break an impasse which had developed over the Jackson amendment to the Senate resolution approving Presidential acceptance of the agreement. On September 14, the Senate agreed to invoke cloture by a vote of 76 to 15.

September 14: The Senate approved the interim agreement on limiting offensive strategic weapons by a vote of 88 to 2. Also passed, by a vote of 56 to 35, was Senator Jackson's amendment, which stated that the Senate "urges and requests the President" to seek a future treaty that would not limit the United States to levels of forces inferior to the limits provided for the Soviet Union.

September 21: The United States and the Soviet Union signed an agreement on cooperation in the field of environmental protection. One provision, which allowed stationing of one country's seismic equipment (to measure earthquakes) in the other, was viewed by observers as a contribution to ways of monitoring a comprehensive test ban agreement, if one should be concluded.

September 25: By a vote of 306 to 4, the House approved the interim agreement to limit offensive weapons, including the amendments passed by the Senate earlier. Press reports indicated that the vote was taken because it was believed that the delay of a conference on the bill might jeopardize the U.S. position in further SALT negotiations.

September 29: The Presidium of the Supreme Soviet ratified the treaty with the United States limiting each country's ABM's. At the Soviet ratification ceremonies, Deputy Foreign Minister Kuznetsov said that those who proposed "conditions" and "interpretations" to the treaty—presumably a reference to Senator Jackson—were trying to gain an advantage for the United States.

October 3: President Nixon and Soviet Foreign Minister Andrei Gromyko signed the ABM treaty concluded at SALT at a ceremony in the White House. At the same time, there was an exchange of letters between the President and Soviet President Podgorny declaring that the interim agreement on offensive weapons went into effect at the same time.

October 19: The White House announced that the next round of SALT would open in Geneva on November 21.

November 21: The first meeting of SALT II was held at the Soviet mission in Geneva. According to informed sources, the first order of business was expected to be the setting up of a commission of technical experts to supervise the SALT I agreements. The next meeting held was November 24, at the U.S. mission.

November 29: The U.N. General Assembly passed a resolution by a vote of 105 to 0, with one abstention (the United States), which established a 35-member committee to consider the question of convening a world disarmament conference.

December 14: The U.N. General Assembly passed a resolution calling for an end to nuclear testing in the South Pacific. The fact that France had conducted an extensive program of tests in the area was thought to have prompted the resolution, although that country was not named specifically in the action. The resolution passed by a vote of 100 to 4, with 17 abstentions (including the United States).

December 21: American and Soviet SALT negotiators signed a memorandum of understanding establishing a four-man consultative commission to supervise the observation of the SALT agreements concluded in May. A joint communique was also signed which said that "an understanding was reached on the general range of questions" to be considered in SALT. The talks then recessed for the Christmas holiday.

NATIONAL DEFENSE AND INTERNATIONAL SECURITY¹³

SUMMARY

As had been the case for the past several years, the Vietnam war—and efforts to bring it to an end—figured strongly in national defense affairs during 1972. In terms of in-country troop levels, the size of U.S. forces in Vietnam diminished from 157,000 at the beginning of the year to 24,000 by the end of December. Air and naval power, however, were maintained at high levels in the area. United States forces not only continued to provide tactical air support to the Vietnamese Army but were heavily engaged in the extensive bombing of North Vietnam and the mining of ports and inland waterways which President Nixon ordered in response to North Vietnam's spring offensive across the demilitarized zone.

By the end of the year, despite the breakdown of peace talks between Assistant to the President Henry Kissinger and North Vietnamese Representative Le Duc Tho and the renewed bombing campaign in the north at Christmas time, peace again seemed almost at hand, and planning for a post-Vietnam force structure was intensified. (For detailed account of the day-to-day conduct of the war in Indochina, see the section on Southeast Asia and the Pacific.)

The phasing down of the U.S. ground troops in Vietnam also signalled the end of the draft. As early as March, the Defense Department announced that total draft calls for 1972 would be limited to 50,000 men or less. This promise was kept. In June, President Nixon ruled that no draftees would be sent to Vietnam in the future unless they volunteered for such duty. In addition, Secretary of Defense Laird revealed in August that the administration had no plans to seek further induction authority after June 30, 1973.

A war-related issue having broad policy ramifications arose as a result of disclosures that the commander of the 7th Air Force, Maj. Gen. John D. Lavelle, had exceeded the rules of engagement in ordering certain air strikes against North Vietnam and had directed the falsification of reports to depict these raids as authorized "protective reaction" strikes. The effectiveness of the military command and control system was brought into question, and the appointment of General Lavelle's superior, Gen. Creighton W. Abrams, as Chief of Staff of the Army was the occasion for extended hearings on the "Lavelle affair" and General Abrams' role therein. General Lavelle was denied a promotion to Lieutenant General on the retired list, but General

¹³ Prepared by James R. Price, national defense analyst.

Abrams was cleared of any culpability and was confirmed as Chief of Staff.

In October, the Congress passed the largest single defense appropriations bill since World War II—amounting to some \$74.3 billion. This figure included \$5.7 billion specifically earmarked for the cost of military operations in Southeast Asia. Prior to the North Vietnamese invasion in April, the administration had requested \$3.4 billion for the Vietnam war. Later, the Defense Department increased this figure by \$2.8 billion to cover the costs of military operations through September 30, 1972. Congress approved the original request for \$3.4 billion and \$2.3 billion of the supplemental request for a total of \$5.7 billion approved for fiscal year 1973. [The actual cost of the war effort for fiscal year 1973 was estimated by the Defense Department in January 1973 at \$6.2 billion, the difference being made up by reprogramming procurement funds, depleting stocks, and sale of military equipment to foreign governments.]

Congress also voted a marked increase in funds for the acquisition of weapons systems. President Nixon had announced in his state of the Union message a drastic speedup of development of the Underwater Long-Range Missile System (ULMS)—designed eventually to replace the Polaris and Poseidon submarines as the Nation's primary nuclear deterrent force. Funds requested for fiscal year 1973 represented a ninefold increase over the 1972 expenditures, and evoked considerable opposition in Congress. Nevertheless, when the appropriations bill was passed in October it contained \$958 million for Trident, the new designation for ULMS. This was virtually all the administration had asked for. Initial plans, once the development process had been completed, called for construction of 10 Trident submarines to replace some of the older Polaris boats.

Throughout the year there were additional developments in the field of weapon systems acquisition. In June, the Defense Department announced plans to use \$20 million saved by cutbacks in the Safeguard program resulting from the SALT agreement to begin development of a new submarine-launched cruise missile. This weapon was not barred by the strategic arms limitations (SALT) agreements signed in May by the United States and the Soviet Union. (For discussion of these agreements, see section on arms control and disarmament.) In August, it was reported that B-52G's of the 42d Bomb Wing had become the first of 19 Strategic Air Command wings to achieve an operational capability with the Short-Range Attack Missile (SRAM). This is a standoff air-to-ground missile designed to enhance the capabilities of the B-52 and FB-111. In December, the Navy announced it would exercise its option to purchase 48 F-14 aircraft at the contract price of \$570.1 million. The Grumman Corp. refused to accept the order unless the contract price was increased, thus precipitating a dispute which had not been resolved by the end of 1972.

There were several other instances when questions were raised over weapons acquisition programs. The General Accounting Office released a report on Department of Defense cost overruns indicating an overall cost increase for 45 major weapon systems of \$36.5 billion between the time of the initial planning estimate and March 31, 1972. Litton Industries, a major Navy contractor, came under heavy fire from congressional critics because of alleged questionable financial

practices and difficulty in meeting delivery schedules. In August, the Army announced termination of the controversial Cheyenne helicopter program, and in December the Navy purchased a large bloc of preferred stock in the Gap Instrument Corp. (a Long Island firm making fire-control consoles for destroyers) as "collateral for a grant" of \$1.7 million to avoid bankruptcy of the firm.

Still another controversial issue before Congress in 1972 concerned the question of homeporting. At the beginning of the year, the United States and the United Kingdom were reported to be jointly pressing for establishment of a NATO air weapons training center on Crete to replace facilities lost when Wheelus Air Force Base in Libya was deactivated. In February the United States and Greece reached an agreement on the use of Piraeus as homeport for a carrier task force of the 6th Fleet. The selection of Greece, with its military regime, as the site of this experiment prompted considerable concern in Congress over the question of homeporting U.S. naval forces at foreign ports in general.

Military assistance to countries of Southeast Asia continued on a large scale throughout the year. The Department of Defense-funded military aid program to South Vietnam, Thailand, and Laos remained on or ahead of schedule. The North Vietnamese offensive in the spring prompted a visit by a special team of military and civilian officials to South Vietnam to ascertain the need for additional U.S. equipment to replace South Vietnamese losses. In November, when at first it appeared that an early cease-fire was likely, the Pentagon announced that it had essentially completed an urgent program to arm South Vietnam with 10,000 tons of new military equipment before the withdrawal of American forces. A supply originally planned for delivery over a period of 1 year was delivered in 3 weeks.

With regard to the Middle East, the United States revealed in January that it had signed an "agreement in principle" in November 1971 to help Israel produce "certain U.S.-designed defense equipment." In April, plans were announced to sell F-5 fighter aircraft to Jordan, despite revelations that Jordan might have violated the standing ban on the unauthorized transfer of U.S. military equipment to third countries by lending F-104 fighters to Pakistan during the India-Pakistan war. In other areas, the United States resumed issuing licenses in January for the sale of arms to Haiti. In March, it announced plans to sell \$70 million worth of arms to the Government of Greece. In November, the United States and Japan reached an agreement for Japan to import U.S. Phantom reconnaissance planes and equipment and material needed for production in Japan of Phantom interceptors. In December, the United States affirmed that it would honor its \$10 million credit agreement with Chile and continue military aid to that country despite its refusal to help finance Chilean food imports and economic projects.

CHRONOLOGY

January 9: The United States resumed issuing licenses for the sale of arms to Haiti through a Miami-based concern, Aerotrade. Military and economic aid to Haiti had been cut off in the early 1960's.

January 10: A U.S. Navy task force sailed out of the Indian Ocean after a month of patrol duty begun during the India-Pakistan war.

January 10: The United States and Great Britain jointly pressed for the establishment of a NATO air weapons training center at Timbakian on the south-central coast of Crete. The facility would perform the function of Wheelus AFB, from which the United States was evicted by Libya in May 1970.

January 14: Defense Department officials were reported as saying that there were no current plans for further reductions in the number of U.S. tactical fighter-bombers and strategic bombers stationed in Southeast Asia. There were 370 Air Force and Navy fighter-bombers and 45 B-52 heavy bombers in the area. By comparison, some 1,200 attack aircraft had been stationed there in 1968.

January 14: The State Department acknowledged that the United States had signed an "agreement in principle" with Israel last November aimed at helping Israel produce "certain U.S.-designed defense equipment."

January 20: In his state of the Union message, President Nixon forecast that rising research and development costs, military pay increases, and the need for new weapons procurement would increase defense spending. He disclosed that the fiscal year 1973 defense budget would contain over \$900 million to speed up development of ULMS (underwater long-range missile system). He disclosed plans to continue retrofitting Polaris submarines with improved Poseidon missiles, to replace older land-based missiles with Minuteman III, and to strengthen the Navy's shipbuilding program. He promised to expand the volunteer forces program and said he would submit to the Congress a proposal for overall reform of the military retirement and survivor benefit programs. He said efforts would be expanded to improve race relations within the services, to equalize promotional opportunities, to control drug abuse, and generally to improve the quality of military life.

January 24: Defense Comptroller Robert C. Moot, in a briefing for reporters, revealed that defense spending under the fiscal year 1973 budget would rise by \$700 million, from \$75.8 billion in fiscal year 1972 to an estimated \$76.5 billion. However, the increase in new budgetary authority would be \$6.3 billion, rising from \$77.1 billion to \$83.4 billion. Moot said the proposed fiscal year 1973 expenditures constituted only 30 percent of total Federal outlays, a 23-year low, and only 6.4 percent of the GNP, a 22-year low.

February 3: The Senate confirmed the nomination of Kenneth Rush to be Deputy Secretary of Defense and Eberhardt Rechtin to be Assistant Secretary of Defense (Telecommunications).

February 7: The State Department announced that the United States and Greece had reached an agreement on the use of Piraeus as homeport for a carrier task force of the Sixth Fleet to enable more Sixth Fleet ships to remain on station for 2 years at a time.

February 8: It was reported that the United States was developing a new reconnaissance satellite system which would help the President and his advisers avoid miscalculations when responding to sudden foreign crises. The new satellites could be positioned quickly over any trouble spot and relay their data instantaneously to Washington.

February 18: President Nixon notified Congress that he had made the determination that conditions in Pakistan were returning to normal and that, therefore, congressional restrictions on U.S. military and economic aid to that country would no longer apply.

February 25: Sgt. Lonnie Franks, U.S. Air Force, wrote a letter to Senator Harold Hughes, charging that the 7th Air Force, under orders from its commander, Gen. John D. Lavelle, was carrying out unauthorized air strikes in North Vietnam and that reports of these strikes were being falsified to represent these strikes as "protective reactions" to hostile enemy actions.

February 27: In the United States-Chinese communique issued at the end of President Nixon's visit to China, the United States promised to "progressively reduce" its military presence on Taiwan "as the tension in the area diminishes" with the "ultimate objective of withdrawal of all U.S. forces and military installations from Taiwan," but no specific dates were given.

March 3: The State Department announced that the United States would sell approximately \$70 million worth of arms to Greece before June 30. The decision to do so came after President Nixon had determined that the "overriding" interests of national security required that he waive the congressional ban of aid to the Greek Government.

March 6: Secretary of Defense Melvin Laird announced that draft calls for April, May, and June would average 5,000 men a month. There were no callups for the first 3 months of 1972, and Laird reiterated his earlier pledge to reduce total draft calls in 1972 to 50,000 or less.

March 30: The State Department announced that the United States had signed an agreement with Greece providing for the sale of 36 F-4 Phantom jets.

April 1: It was reported that the United States had agreed to supply Jordan with between 12 and 24 F-5 jet fighter planes over the next 2 years.

April 18: The State Department confirmed that about 10 U.S.-provided Jordanian Air Force F-104 jet fighters were in Pakistan during the recent India-Pakistan war despite a standing ban on the unauthorized transfer of U.S. military equipment to third countries.

May 1: Dr. Curtis W. Tarr, Director of the Selective Service System, resigned to assume the position of Under Secretary of State for Coordinating Security Assistance Programs.

May 4: Secretary of Defense Melvin Laird dispatched a team of military and civilian officials to South Vietnam to determine if there was a need for additional U.S. arms to replace equipment lost by the South Vietnamese forces in the enemy's spring offensive.

May 8: In a televised address to the Nation, President Nixon announced his decision to mine "all entrances to North Vietnamese ports" and "to take other appropriate measures * * * to interdict the delivery of any supplies * * * to the maximum extent necessary." This action followed the launching of a major North Vietnamese offensive across the demilitarized zone into the south, threatening the collapse of the South Vietnamese Army.

May 15: The Chief of Staff of the Air Force announced that Gen. John D. Lavelle had been relieved of command of the 7th Air Force because of "irregularities in the conduct of his command responsibilities."

May 16: Secretary Laird announced that the United States would build 10 large missile-launching submarines to replace some of the older Polaris models. The new weapon system, previously known as "ULMS," was redesignated "Trident."

May 26: In Moscow the United States and the Soviet Union signed two agreements limiting strategic armaments. One was a Treaty on the Limitation of Anti-Ballistic Missile Systems. The other was an Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms. The latter imposed certain numerical limits on land- and sea-based strategic missile systems pending the negotiation of a more comprehensive treaty.

June 6: The Defense Department disclosed that it intended to use the \$20 million saved by cutbacks in the Safeguard program to begin development of a submarine-launched cruise missile, which was not specifically barred by the United States-Soviet strategic arms limitation agreement.

June 20: The President named Gen. Creighton W. Abrams, Commander of U.S. Forces in Vietnam, as the Chief of Staff of the Army.

June 26: Senator Proxmire stated that he had asked the Securities and Exchange Commission, the General Accounting Office, and the Navy Department to investigate the financial ability of Litton Industries to complete performance of its Government contracts. This was an outgrowth of hearings held by the Joint Economic Committee on weapons acquisition programs which disclosed questionable practices in the submission of large claims against the Government by shipbuilders. Litton Industries had the largest dollar amount of claims against the Navy—about \$450 million. Senator Proxmire expressed fears that Litton's cash shortages, huge cost overruns, schedule delays, and technical difficulties with its shipbuilding programs had jeopardized two of the largest ship contracts awarded in recent years—the landing helicopter assault ships (LHA) program and the DD-963 destroyer program.

June 28: President Nixon announced that no draftees would be sent to Vietnam in the future unless they volunteered for such duty.

July 5: The State Department said that the United States planned no further reduction of the 40,000 American forces in Korea. This number was 20,000 below the authorized ceiling of 21½ years earlier.

July 31: Congressman Les Aspin pointed out that officials of the Pentagon's Office of Systems Analysis had estimated the unit cost of the B-1 bomber at \$60 million, whereas official Air Force estimates were \$45 million. He requested Secretary of Defense Laird to resolve this difference within the Pentagon.

August 3: Senator Proxmire placed in the Congressional Record the GAO report on Department of Defense cost overruns, "Acquisition of Major Weapon Systems, July 17, 1972," indicating an overall cost increase for 45 major weapon systems of \$36.5 billion as of March 31, 1972. Proxmire commented specifically on the F-14, LHA, F-15, Safeguard ABM, B-1, C5A, F-111, and SRAM missile programs.

August 9: The Army announced termination of Lockheed's contract to develop the Cheyenne helicopter, a controversial program begun in 1966 which had cost over \$400 million. The Department of Defense asked for \$40 million to begin work on a new model.

August 11: The United States was reported to have replaced equipment lost by South Vietnamese forces in the early stages of the enemy offensive and to be providing additional planes, tanks, and artillery pieces.

August 14: The B-52G's of the 42d Bomb Wing at Loring Air Force Base, Maine, reportedly became the first of 19 Strategic Air Command wings to achieve an operational capability with the short-range attack missile (SRAM).

August 28: President Nixon and Secretary of Defense Laird announced that they planned no draft calls after June 30, 1973. The President stated that he would not ask Congress to extend his induction authority or to give him standby authority to resume the draft in an emergency.

September 1: The Selective Service System announced that approximately 15,900 men would be inducted during the final 3 months of 1972. These inductions would bring the total number of men drafted into the Armed Forces in 1972 to approximately 50,000.

September 15: The Senate adopted the conference report (previously adopted by the House) on the fiscal year 1973 military procurement authorization bill (H.R. 15494). The \$20.9 billion provided in the compromise version was \$400 million more than in the Senate bill, \$400 million less than in the House bill, and \$2.4 billion less than originally requested by the Defense Department.

September 26: H.R. 15495, authorizing funds for military procurement for fiscal year 1973, was approved by the President (Public Law 92-436).

September 28: A NATO joint exercise, Strong Express, was held throughout the northern Atlantic area, September 14-28, 1972. Strong Express was a large land, sea, and air exercise involving some 64,000 men, 300 ships, and 700 aircraft of the United States, the United Kingdom, Belgium, Canada, Denmark, the Federal Republic of Germany, Italy, Luxembourg, the Netherlands, Norway, and Portugal. French naval forces conducted a minesweeping exercise in conjunction with Strong Express.

October 2: The Navy agreed to provide \$19.6 million in advance payments to Grumman Aerospace Corp. for the F-14 program and set a December 15 deadline for final decision on procurement of the next lot of 48 planes.

October 9: Secretary of the Army Froehlke announced that the Army's command structure in the United States would be reorganized.

October 13: After extensive hearings and debate, centering largely around the "Lavelle affair," the U.S. Senate approved Gen. Creighton W. Abrams as U.S. Army Chief of Staff. In a related action earlier, the Senate affirmed the promotion of Maj. Gen. Alexander Haig to full general, and retiring Adm. John McCain to permanent admiral. The Senate Armed Services Committee voted against recommending the nomination of Maj. Gen. John D. Lavelle to lieutenant general on the retired list.

October 13: The Senate agreed to the conference report on H.R. 16593, making appropriations for the Department of Defense for fiscal year 1973, previously adopted by the House on October 12, 1972. The \$74.3 billion provided in the compromise version of the bill was \$5.2 billion less than the amount requested by the administration. The measure provided \$958 million for Trident, \$732.7 million for the F-14, \$638.5 million for Safeguard, and \$445.1 million for the B-1 bomber. It also provided \$5.7 billion for military operations in Southeast Asia. Despite the reductions from the administration's request, this represented the largest single defense appropriations bill since World War II.

October 26: H.R. 16593—Department of Defense appropriations for fiscal year 1973—was approved by the President (Public Law 92-570).

November 1: The Joint Economic Committee's Subcommittee on Priorities and Economy in Government issued part 5 of hearings held in September 1971 and March 1972 on the acquisition of weapons systems. These concerned Lockheed contracts with the Defense Department and various Navy contracts involving cost overruns and delivery difficulties.

November 20: The Pentagon announced that it had essentially completed an urgent program to arm South Vietnam with 10,000 tons of new military equipment before the withdrawal of American forces by delivering in 3 weeks a supply originally planned for delivery over the next year.

November 21: The United States and Japan exchanged documents relating to Japan's import of U.S. Phantom reconnaissance planes and of equipment and materials needed for production in Japan of Phantom interceptor fighters.

December 4: Congressman Les Aspin released an interim report by the General Accounting Office on cost overruns for 47 major weapons systems. Comparing cost data as of June 30, 1972, with those of March 31, 1972, the report updated an earlier one by the GAO which Senator Proxmire entered in the Congressional Record August 3 (see above).

December 8: Administration officials said that the United States would continue military aid to Chile under a \$10 million credit agreement despite its refusal to help finance Chilean food imports and economic projects.

December 11: The Navy announced that it had exercised its option on lot 5 of the F-14 contract, ordering 48 F-14A's at the contract price of \$570.1 million. However, Grumman immediately announced it would not accept the order unless the contract price was increased.

December 12: President Nixon accepted Secretary of Defense Laird's resignation and nominated Health, Education, and Welfare Secretary Elliot Richardson to the post. (Richardson formerly had served as Under Secretary of State from January 24, 1969, to June 24, 1970.)

December 18: After a 2-month halt of bombing north of the 20th parallel, the White House ordered resumption of bombing of the Hanoi-Haiphong area and the laying of new mines in North Vietnamese ports. This order followed Assistant to the President Henry Kissinger's December 16th announcement of an impasse in peace negotiations with the North Vietnamese. Press Secretary Ziegler emphasized that bombing would continue until an agreement had been reached, and the administration would not allow the peace talks to be used as cover for another North Vietnamese offensive.

December 26: It was reported that the Navy had purchased 17,414 shares of preferred stock in Gap Instrument Corp., a Long Island firm making fire-control consoles for destroyers. The Navy termed the arrangement "collateral for a grant" of \$1.7 million to avoid bankruptcy.

December 28: The Defense Department announced that U.S. troop strength in Vietnam was down to 24,100, as compared to 157,000 on January 1, 1972.

November 20: The Pentagon announced that it had essentially completed an urgent program to arm South Vietnam with 10,000 tons of new military equipment before the withdrawal of American forces by delivering in 3 weeks a supply originally planned for delivery over the next year.

November 21: The United States and Japan exchanged documents relating to Japan's import of 1.5 Phantom reconnaissance planes and of equipment and materials needed for production in Japan of Phantom intercept fighters.

November 22: Congressman Les Aspin released an interim report by the General Accounting Office on cost overruns for 47 major weapons systems. Comparing cost data as of June 30, 1972, with those of March 31, 1972, the report updated an earlier one by the GAO which Senator Frank Lautenberg entered in the Congressional Record August 8 (see above).

December 8: Administration officials said that the United States would continue military aid to Chile under a \$10 million credit agreement despite its refusal to help finance Chilean food imports and economic projects.

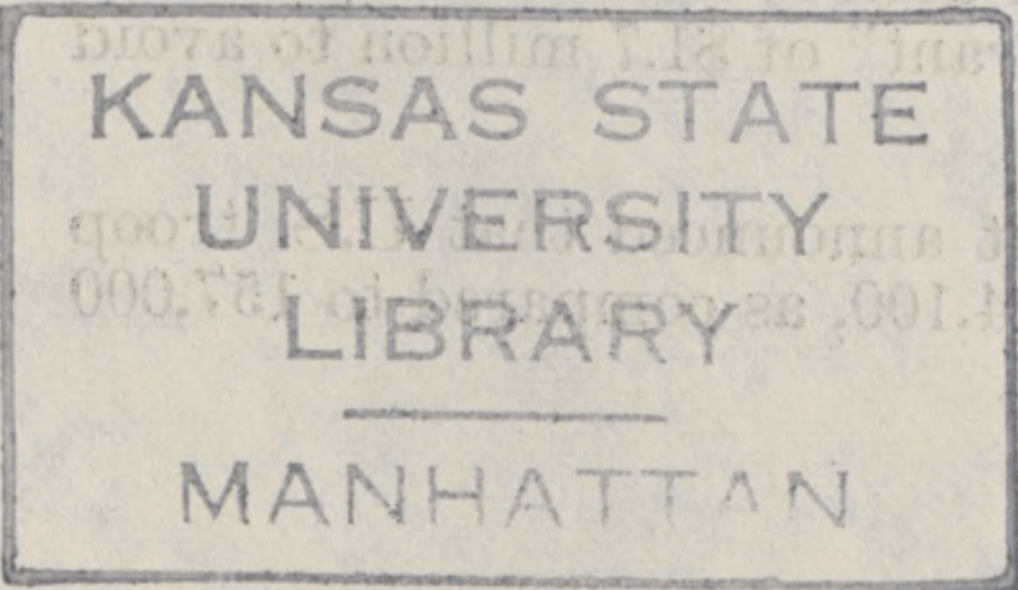
December 15: The Navy announced that it had exercised its option on for 5 of the F-14 contract, ordering 48 F-14A's at the contract price of \$270.1 million. However, the Navy immediately announced it would not accept the order unless the contract price was increased.

December 15: President Nixon accepted Secretary of Defense Laird's resignation and nominated Health, Education, and Welfare Secretary Elliot Richardson to the post. (Richardson formerly had served as Under Secretary of State from January 24, 1969, to June 24, 1970.)

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December 28: The Defense Department announced that the troop strength in Vietnam was down to 24,100, as compared to 337,000 on January 1, 1972.





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