



DEPARTMENT OF STATE

Washington, D.C. 20520

November 20, 1974

UNCLASSIFIEDMEMORANDUM FOR LIEUTENANT GENERAL BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Presidential Influence and the Aid Bill

The Department was asked to provide the draft of a possible radio address to the nation by the President following his return from East Asia.

We understand that the point of departure of the speech is to be a report to the nation on his trip, but that the speech is also intended to throw the weight of the President's authority behind quick passage by the Congress of the aid (and perhaps also the trade) bill. The draft at Attachment 1 speaks largely to the second point.

Following his address to the nation, the President might wish to make telephone calls to a short list of influential Americans to seek their support with respect to both the aid and trade bills. This support might take the form of public statements and/or expressions of concern to individual members of Congress. A list of such individuals is Attachment 2. Suggested talking points are Attachment 3.

In the wake of a public commitment of the President's authority to passage of an aid bill, the Department will attempt to elicit expressions of editorial support from key newspapers around the country, to place key Department and AID officers on television, and to provide Op-Ed page articles signed by appropriate officers.

for *Carolee Hilman*
George S. Springsteen
Executive Secretary

Attachments:

1. Draft radio address.
2. List of Individuals to be called by the President.
3. Talking Points for Telephone Conversations.

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DRAFT STATEMENT BY THE PRESIDENT

I have just returned from a working visit as your President to Japan, the Republic of Korea, and the Soviet Union. I traveled nearly half-way around the world -- to what we used to think of as the remote and exotic "Far East" -- to find the governments and peoples there preoccupied with exactly the same problems and questions which deeply concern us here in the United States.

These questions included the adequacy and distribution of the world's present and future food supplies. Japan, for example, must import at least half of its food, in part from us, and understandably needs to know whether it can count on us and its other suppliers to continue to make available for export the foodstuffs it needs to buy. At the same time, we and other exporters need to know what Japan's expectations of us, and of other food suppliers, are going to be.

Similarly, the availability of energy was of prime concern on the other side of the world, as it is here. To use the Japanese example again, that country, unlike ours, must import virtually all of its petroleum, and allocates a far larger share of its oil supply to industrial uses, as distinct from personal uses, than we do -- which makes

conservation efforts more difficult. While this may mean some differences between the two countries in our domestic approaches to the problem, we found ourselves united on the essentials -- that is, on the need for close cooperation among consumer nations to hold down the rise in world petroleum consumption, to develop alternative energy sources, to maintain the strength of the world's financial systems, and ultimately to develop in concert with the producer nations means of protecting the long-term interests of both groups.

The world inflation to which excess demand for food and fuels and their rising prices have contributed is another source of keen concern in Asia, as it is in North America. In the Republic of Korea, which has made such great strides in recent years in developing its economy and raising personal income, continuation of this progress is seriously threatened by inflationary pressures which pushed its consumer price index up by 23 per cent in the first nine months of this year. Korea's progress has been based heavily on foreign trade, and the recent decline in demand from its important Japanese and American markets has had a heavy impact. Here too, only a combination of national and international action in a framework of mutual consultation and accommodation among the different members of the world

community can bring these problems in time under control.

And just as all of the countries I visited shared a concern over the state of the world's economy, we shared too a deep and far-reaching concern for the strengthening of the world's peace. In this respect as well, we found as expected that local interests -- security and stability in Northeast Asia -- are inseparable from conditions elsewhere around the globe. The peace of the Korean Peninsula is significantly affected, among other factors, by the broader progress of detente between East and West, and by expressions of our American commitment to stability on the Pacific rim. We were in Asia, but we also discussed the Middle East, because the outlook for peace in the world is inseparable from the efforts toward conciliation and compromise in that tragically divided region. Equally, the security interests not only of the U.S. and the U.S.S.R., but of the entire globe, are inseparably intertwined with our American and Soviet efforts to achieve broadening understanding, a more stable relationship, and above all an effective nuclear balance and a down-turn in the strategic arms race.

Summary report of accomplishments of trip to be inserted here.

To me these accomplishments represented a rewarding return for the distance we traveled and the time we spent.

But more than this, the trip brought home to me once again a fact which may not yet be fully appreciated by all Americans -- the fact of our growing interdependence with other nations.

It is this fact, and its implications for our future, that I wish to emphasize today.

What this growing mutual dependence means can be simply illustrated, though the challenge it presents is far from simple. In generations past, American prosperity depended in very large degree on what we did here at home. Today, what happens abroad, and what we do about it, is at least as important to our pocketbooks -- as global inflation and the energy problem have dramatically demonstrated. And this economic interdependence is increasing day by day as rising living standards, technology and population press ever more heavily on the finite natural resources of the world. For us as for all peoples today, our ability to improve conditions of life in our own country will depend to a large degree on whether we can work out with other countries relationships which respond to the common need for food, fuel and essential raw materials.

tion of these facts of life is growing in the United States, there is still an inadequate appreciation of their significance in some quarters, both in government and outside it.

I believe the failure to date of the current Congress to act to continue our foreign assistance program at an adequate level, and to pass the Trade Reform Act to enable us to join in a long-delayed new international attack on the remaining barriers to world trade, reflect this inadequate appreciation of the implications of interdependence today.

Both of these omissions, in my judgment, should be urgently corrected. We cannot expect the developing nations to take a constructive interest in problems to which we attach priority, such as availability of fuel and raw materials, or the politics of accommodation in the Middle East, if in their view we demonstrate no equivalent interest in the problems of greatest concern to them -- above all in their economic development. Nor can we count on the conditions of stability -- of peace and tranquility -- which the world so urgently needs if we are to attack the great problems of humanity's future, if we are unwilling to contribute ourselves to peace and tranquility through economic and military assistance programs.

Similarly, we cannot expect the rest of the world to tackle the major problems still impeding and distorting world trade if the world's largest trader is to take no part. The world has been waiting for nearly two years for the United States Government, with the authority which this legislation would provide, to give the signal to begin the

now, if we are to make the most efficient use of diminishing natural resources. I call on the Congress to make these two vital legislative efforts its first order of business in the remaining weeks of the session.

At the same time, the Congress does not act in a vacuum, and we have all of us more work to do. We need to develop a common understanding of our situation, to shape a common determination in meeting its tests. Through increased awareness, information, and debate, we need to define a vision of American purpose in the world which accords equally with our sense of enlightened self-interest, and our sense of civic responsibility in the community of nations -- with our historic idealism and with our contemporary capacity for hard-headed leadership.

Out of this study and debate, I am confident, one broad conclusion among others of detail is certain to emerge, and to win the full support of the American people. That conclusion is this: that today, as never before, the aspirations of the American people and of all peoples can be met only through a concerted and continuing effort among nations to develop common approaches to common problems, to seek accommodation rather than confrontation, to recognize and give tangible expression to the sober truth that the fate of one today is inseparable from the fate of all. As

your President, I dedicate myself to the application of that conviction. In so doing I will need and I must have the help of all of you. I hope that help will begin with immediate action by the Congress on the two great measures -- trade and aid -- which are now before it.

Attachment 2

List of Individuals to be Called by the President

Dean Rusk

Melvin Laird

Elliot Richardson

Sol Linowitz

Douglas Dillon

David Packard

Barry Goldwater

Hubert Humphrey

Katherine Graham

Talking Points for Telephone Conversations

1. I am concerned that Congress may adjourn without completing action on the aid bill.
2. We can hardly propose new forms of constructive international cooperation on issues of great importance to us (energy, for example) unless at the same time the United States is seen to be acting cooperatively and constructively in more traditional ways.
3. The aid bill may not be perfect in its present form, but for Congress to adjourn without passing any bill at all would be to convey a damaging signal of our national intent at a delicate moment in world affairs, a moment in which there is no alternative to American leadership.
4. I am trying to work out specific differences with the Congress which tie my hands too tightly, for example aid to Turkey and Korea.
5. But, I am equally concerned by a belief which seems to be gathering momentum in the Congress: that we can't cope simultaneously with the world's problems and our own here at home.
6. We don't really have that choice.

7. I would be grateful for any help you might feel free to offer in the way of public statements or discussion with your friends in Congress in the next two weeks.