



ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

6/6/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

North Vietnam has failed to pull all its troops out of Laos as required by cease-fire terms, Pentagon officials said. They added the United States is expected to send planes on picture-taking flights over Laos to monitor North Vietnamese forces there.

President Nixon has spoken out sharply against Congressional critics who demand a change in Soviet domestic policies as the price for detente. The President defended detente in an address to the graduating class at the U.S. Naval Academy at Annapolis, Md. The President said the alternative to detente is a runaway arms race, a return to constant confrontation, and a shattering setback to U.S. hopes for a new structure of world peace. However, he said, this does not mean that the U.S. should intervene in the internal policies of other governments, especially that of the Soviet Union, any more than it would want them to interfere in American domestic policies.

ELSEWHERE IN THE WORLD:

In South Vietnam, more heavy fighting has been reported near the district of Ben Cat, 40 kilometers north of Saigon. The South Vietnamese command says friendly forces have beaten back a Communist ground attack in the area. Communist forces have also fired at least 170 mortar and artillery rounds at government positions in Ben Cat.

Cambodia is observing two days of mourning for two government officials killed Tuesday while being held hostage by students in a Phnom Penh school. Government officials say it was not the students, but enemy agents who shot and killed Education Minister Keo Sang Kim and Presidential Advisor Trach Chea. President Lon Nol, in a nation-wide speech, said agents had infiltrated the ranks of the students. The students were demanding an exchange of the two officials for five students jailed during a recent student-teacher demonstration in Phnom Penh.

The United States has protested to South Korea over its refusal to let a woman journalist re-enter South Korea. The State Department says Elizabeth Pond of the Christian Science Monitor was barred from returning to South Korea. Her visa was revoked after she wrote stories about President Park's political opposition. A State Department spokesman said the U.S. regrets any infringement on the right of the press to report freely.

In India, health officials said the world's deadliest smallpox epidemic since the turn of the century has killed close to 25,000 persons across the nation over the past six months. World Health Organization officials said travelers infected with smallpox have spread the disease across the border into neighboring Nepal.

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President Nixon announced the appointment of former Secretary of the Treasury and Assistant to the President George Shultz as a member of the President's Foreign Intelligence Advisory Board. The Board advises the President concerning the various activities making up the overall national intelligence effort.

Dow Jones Closing Averages: 30 INDUS 830.18 UP 1.49
20 TRANSP 170.19 UP 2.32
15 UTILS 74.77 UNCH
65 STOCKS 252.27 UP 1.15
VOLUME: 13,500,000

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SCHLESINGER ARGUES MILITARY ASSISTANCE BILL BEFORE CONGRESS

Washington, June 5 -- In opening the Defense Department drive for the Fiscal Year 1975 Military Assistance Bill, Defense Secretary James R. Schlesinger testified June 5 before the House Foreign Affairs Committee.

Following are excerpts from the statement:

The United States cannot by itself maintain adequate conventional forces to protect its larger interests and to ensure stability in all potentially volatile areas of the world. The conflict in Southeast Asia has demonstrated the problems that can result from the direct involvement of American forces. Here is where security assistance has an indispensable role.

Where we do not have the forces to help maintain a conventional balance -- as is the case, for example, in the Middle East and in much of Asia -- we must rely primarily on the Security Assistance Program. It is a low-risk, low-cost alternative to direct American involvement in areas of great importance. The Security Assistance Program thus makes an essential contribution to the security of the United States and to the protection of America interests, to the prospects for greater stability and a more durable peace in critical parts of the world.

The vast bulk of our military assistance and foreign sales programs recommended for FY 1975 are aimed at two of the more unstable parts of the world -- Middle East and Asia. More than 80 percent of our proposed grant and sales programs are directed to the countries of these two areas. By far our largest credit sales program -- 300 million dollars -- is for Israel, a country which only recently was required to mount a swift and sizable defense. By the largest grant program -- 326 million dollars -- is for Cambodia, a country now struggling to defend itself.

We have in recent history invested heavily in lives and fortune in Asia -- first in Korea, and then in Indochina. Our prompt assistance and continuing support to Korea have permitted that country to maintain its independence -- an independence that almost vanished in 1950. The proposed military assistance to Korea for FY 1975 -- 161.5 million dollars MAP, 52 million FMS -- is meant to help strengthen and to make more certain a satisfactory military balance there. A satisfactory military balance in that important meeting place of great power influence is essential for deterrence and defense; it is also an essential underpinning for negotiations between North and South Korea.

The large majority of our assistance to Asia is to Southeast Asia, 544.3 million dollars in grant assistance, 15 million dollars in FMS.

The reasons for it are well known. When we withdrew American forces from Indochina, it was understood that we would provide the military tools to enable the people there to defend themselves. The need to do so has not lessened in this last year. The flow of military equipment, supplies and personnel from the north to positions endangering Cambodia, Laos, and South Vietnam continues. Cambodia is particularly hard pressed. The security requirements of Thailand, Indonesia and the Philippines are continuing ones which they need help in meeting. It would be very wrong, in my judgment, to default on our obligation by failing to provide the help needed by these countries in this difficult hour.

Another of our objectives in providing military assistance is continuing an uninterrupted access to bases and facilities important to the worldwide U.S. military posture. In all cases, however, DOD Security Assistance Programs are designed to facilitate and encourage greater contribution by countries to their own and the common defense. The proposed allocation of FMS credit clearly indicates both the thrust and the progress of this effort. A striking case in point is the sharp drop in MAP grant aid programmed for the Republic of China from almost 30 million dollars in FY 1973 to the 400,000 dollar training-only program proposed for FY 1975. During the same two-year period, FMS credit sales to that country nearly doubled - rising from 45 million dollars in FY 1973 to an expected 80 million dollars in FY 1975.

Following are highlights from the Secretary's responses to committee questions:

Vietnam -- "The level of aid to Vietnam is sufficient so long as there is no major offensive by the North Vietnamese armed forces. The biggest problem is the shrinkage of foreign exchange."

Cambodia -- "It is in the national interest of the United States that South Vietnam survive and, in derivation, that Cambodia survive. If we were not to continue our military assistance program, the ability of that government to survive would be severely compromised."

Laos - "The presence of the North Vietnamese remaining in Laos could shatter the coalition government."

Korea - "Recently, there has been an enhanced period of tension and a consequent retrogression in the grouping of the two Koreas toward greater harmony. Relations between the two do fluctuate. It is necessary that South Korea have military capability sufficient to deter aggression. The Soviet Union is continuing to send a flow of military equipment to North Korea, particularly aircraft."

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KISSINGER COMMENTS ON 1975 DEFENSE AUTHORIZATION BILL

Washington, June 6 --In a letter dated June 1 to Senator John C. Stennis, Chairman of the Senate Armed Services Committee, Secretary of State Henry Kissinger has cautioned against Congressional action that could result in unilateral reductions of U.S. troops abroad.

The Secretary was writing in connection with the upcoming Senate debate on the 1975 Defense Authorization Bill, scheduled for the week of June 10.

Following are excerpts from the letter:

Dear Mr. Chairman:

It has been called to my attention that the FY 1975 fiscal year ending June 30, 1975 Defense Authorization Bill will be considered on the floor of the Senate early next week. I am sure you appreciate that a strong U.S. military posture is absolutely essential to the success of our diplomacy abroad. It is America's strength, both economic and military that gives weight to our words in the councils of nations. Consequently, I feel justified as Secretary of State, in taking the liberty of stating my views on two major issues which are bound to arise during the course of the debate on the bill and which are of deep concern to our foreign policy. These are: (1) reductions in our troop deployments abroad, and (2) military assistance for South Vietnam.

While I fully appreciate the strong desire in the Congress to effect reductions in the number of U.S. military personnel and dependents now stationed abroad, I feel compelled to caution that unilateral reductions at this time could seriously undermine our efforts to achieve mutual reductions of forces between NATO and the Warsaw Pact in Europe where the bulk of our overseas forces are located.

Our troop deployments in Asia and the Western Pacific, which are now a fraction of what they were only a few years ago at the height of the Vietnam conflict, constitute a very tangible measure of our interest in the security of our friends and allies in that region of the world. But any major reductions in U.S. forces in South Korea, Japan, Okinawa, and the Philippines could seriously jeopardize our efforts to achieve a more permanent structure of peace in that area. Such reductions can be safely made only when we have firm evidence of improved relations among the contending nations in the region. Meanwhile, we will continue to make reductions in our forces in Thailand as the situation in Southeast Asia permits.

With regard to South Vietnam, I have a very personal sense of obligation to do everything I can to make good on our moral commitment to assist that nation in its survival as an independent state. The Administration's request for...military assistance was made because of our conviction that the survival of South Vietnam is indispensable to the creation of an enduring structure of peace in Southeast Asia. Without our military assistance, South Vietnam's ability to resist communist military pressures, fueled by an extensive flow of arms and supplies from the North, would be critically endangered.

I recognize that the house has already substantially reduced the Administration's request and that some members of the Senate would favor even a larger reduction. But I would be remiss in my duty as Secretary of State if I did not urge upon you the essentiality of supporting the Administration's request. Here, as in Europe, we must not lose sight of our longer range objective, and that is not just a reduction in the level of hostilities but more importantly the creation in Southeast Asia of an environment conducive to enduring peace and reconstruction. This fundamental humanitarian goal not only preserves the wholehearted support of all the people in the area, but also the American people whose devotion to peace and progress throughout the world has been convincingly demonstrated over the years. In South Vietnam we have made an enormous investment in lives and dollars on behalf of the survival of that country and an enduring peace in Southeast Asia. We have made marked progress toward these goals. I am convinced that our willingness to contribute a substantial level of military assistance to South Vietnam in the coming fiscal year will bring stable peace closer and enable us to reduce our assistance progressively over the following years.



ព្រឹត្តិបត្រ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

7/15/74

NEWS ROUNDUP

VOA:

VIETNAM -- Fourteen people have been killed in South Vietnam and more than 60 others wounded as Communist gunners shelled polling stations in the country's local council elections. The worst hit area was around Quang Ngai along the central coast but more than 10 other provinces came under rocket and artillery fire. At stake in the elections are nearly 500 provincial and municipal seats. Results are expected sometime today.

CAMBODIA -- In Cambodia, parliament has indorsed President Lon Nol's proposal for unconditional negotiations with the Communists. Parliament also appealed to international organizations and peace-loving nations to support the proposed talks. But former Cambodian leader, Prince Norodom Sihanouk has rejected President Lon Nol's proposal.

CHINA -- News reports from Peking say Chinese Premier Chou En-lai is recovering from a recent heart attack. Western news agencies say Chinese officials gave first word on the heart attack to a visiting Canadian delegation. It is not known when the 76-year-old Premier suffered the heart attack, or how serious it was. Premier Chou has been ill for some months. Earlier this month, the Peoples' Daily reported that Mr. Chou had been hospitalized for an unspecified illness, and on July 5 Premier Chou received visiting U.S. Senator Henry Jackson in a Peking hospital. At that time, Senator Jackson said the Premier was recovering from an illness and was mentally alert.

MIDEAST -- News reports from Lebanon say Israeli artillery shelled several border areas in South Lebanon Sunday. According to the reports, the shells caused some damage to crops but no casualties. No official confirmation from either side has been made. Meanwhile, the Palestine News Agency said the executive committee of the Palestine Liberation Organization met in Damascus Saturday night to discuss "the Arab and international situations and their repercussions on the Palestine question." In Beirut a statement by one Palestinian group, the Marxist Popular Front for the Liberation of Palestine, again rejected any meeting between the Palestinian leadership and King Hussein. The PFLP statement also again turned down Palestinian participation in the Geneva peace talks.

In Jerusalem Premier Rabin, commenting on reports Israel might change its policy toward the Palestinians, said the Palestinian question can only be settled in negotiations with Jordan. He again said Israel has no plans to recognize a separate Palestinian entity because that would lead to a new state between Israel and Jordan.

SIMON IN EGYPT -- U.S. Treasury Secretary William Simon began talks on Sunday in Cairo with Egypt's deputy premier and other officials. U.S. officials said the talks covered a wide range of bilateral and international economic matters. Mr. Simon also met with the ministers of finance, petroleum and electricity. Afterwards, he told reporters he was in Egypt

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to learn how the U.S. could help Egypt develop its economy, and to find out Egypt's specific technical needs. He said he would like to see a climate for increased U.S. investment in Egypt, adding that he plans to do what he can to boost American sales of goods and services to the country.

Earlier Sunday, Mr. Simon told newsmen there may be a slight reduction in oil prices because production now is exceeding consumption. However, he said, he did not foresee any dramatic reduction in prices. The U.S. Treasury Secretary traveled to Alexandria Monday for talks with President Anwar Sadat. During his stay in the Middle East, he will also visit Israel, Saudi Arabia and Kuwait.

SUEZ CLEARED -- Six Soviet mine sweepers have arrived in Egypt to take part in the clearing operation of the Suez Canal at Egypt's request. Meanwhile, the British Defense Ministry announced in London that a British mine sweeper has become the first vessel to travel the whole length of the Canal since the 1967 war.

HOSTAGES RELEASED -- All seven hostages who were held by two armed convicts inside a federal court house in Washington since Thursday have escaped unharmed. The escape was made possible Sunday morning when police managed to smuggle an elevator key to the hostages, enabling them to get out of the basement cell block and clear the building. At the time of the escape, one of the convicts was sleeping, the other one was keep talking by telephone to authorities as a deception in a pre-arranged escape plan. Meanwhile negotiations are reported continuing between authorities on the convicts to give themselves up. Earlier the convicts were told that the government would not meet their demands for air transportation out of the country.

WIRE-TAPS--President Nixon has reaffirmed his support of Secretary of State Henry Kissinger in connection with the wiretapping of government officials and newsmen between 1969 and 1971. The President took full responsibility for the wire taps in a letter sent to the Senate Foreign Relations Committee, which is investigating Dr. Kissinger's role in the surveillance. A White House spokesman said the letter reaffirmed the President's statement of May 22 of last year that he authorized the taps because of national security leaks. The spokesman said Mr. Nixon's letter also shows conclusively that the President supports Dr. Kissinger.

WATERGATE--Senator Lowell Weiker, R.-Connecticut has confirmed that evidence of possible perjury by witnesses before the Senate Watergate committee investigators has been sent over to the Special Prosecutors office. Senator Weiker a member of the now dissolved committee appeared on a nationally televised interview. He also said he would introduce legislation within two weeks proposing that the Attorney General be elected instead of being appointed by the President. Senator Weiker said that in this respect he differed with the proposal made by the Committee in its final report on its Watergate hearings. The Committee recommended a permanent public attorney on prosecutor. The Watergate Committee also recommended an independent government agency to supervise federal elections and prevent unfair practices in the future. It also urged new limits on campaign contributions and spending. The Committee's final report drew no conclusion about President Nixon's possible role in the Watergate case because of the impeachment inquiry now underway in the House Judiciary Committee.

JACKSON CHARGES AGAIN -- Democratic Senator Henry Jackson has renewed his charges that the Nixon administration has been negotiating secretly with the Soviet Union concerning strategic arms limitation. Senator Jackson told TV newsmen Sunday that President Nixon sent a letter to Soviet leader Leonid Brezhnev agreeing to limit U.S. nuclear submarines to the 41 now on hand. The Senator said he expected that the

letter and another document would be made available to his sub-committee on arms control this week. Last month Senator Jackson charged that "a secret clarification" in the 1972 arms limitation agreement gave the Soviet Union more sea-based missiles than the total permitted in the treaty. Secretary of State Kissinger then denied that the agreement would increase the number of Soviet missiles. He said the so-called secret document was merely an understanding on how the main document was to be implemented.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
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	31 meter band	9545 kHz	0500-0700 local
	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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UNITED STATES INFORMATION SERVICE VIENTIANE

7/16/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

CONSUMER PROTECTION -- Virginia Knauer, President Nixon's consumer adviser, is lobbying against the Administration, the U.S. Chamber of Commerce, and the National Association of Manufacturers in her efforts to get a Consumer Protection Agency proposal passed by the Senate this week. The proposal calls for the establishment of an agency, consisting of one person with a small staff, able to present the consumer viewpoint when any arm of government is considering decisions involving health, safety, or some other vital consumer issue. In a last minute plea, Mrs. Knauer said the Agency would be a "powerful antidote to the poison of alienation and helplessness affecting many of our cities."

CONVICTS -- Two heavily armed convicts, their hopes of freedom dashed by the loss of their hostages, were at the mercy of federal officials in the Washington, D.C. courthouse cellblock they held since Thursday. Frank Gorham and Robert Jones no longer vowed to fight to the death, having lost their only chance for freedom when their hostages escaped Sunday morning. Gorham and Jones said they were ready to surrender peacefully but argued with federal officials over the choice of prisons to which they would be sent.

CUT BUDGET -- Federal Reserve Board Chairman Arthur Burns suggested the Cost of Living Council be re-established and the federal budget cut by 10,000 million dollars in an effort to stem inflation. Mr. Burns, appearing before the House Ways and Means Committee, told congressmen he felt such moves would be accepted by the public.

Senate Majority Leader Mike Mansfield proposed that the government restrain installment buying in an attempt to discourage spending and inflationary pressures. Sen. Mansfield called for the restoration of a regulation which restrained consumer credit by forcing more rapid repayment of installment debt. "This would discourage buying and the continued repayment of debt already incurred will feed money into capital markets and help to depress the extraordinarily high interest rates," he said. He reiterated his proposals that the Administration reimpose wage and price controls.

ILLEGAL IMPORTS -- The Treasury Department says it suspects the governments of Argentina and Spain subsidize certain exports to the United States in violation of American trade law. Specifically, the Department has opened an investigation of imports of non-rubber footwear from Argentina and Spain and bottled olives from Spain. Government aid of these is considered unfair competition in import-export trade and could make the two government liable for penalty customs payments known as "countervailing duties."

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CRIME UPSURGE -- Serious crime in the nation rose 15 percent during the first three months of 1974, with the biggest gains in suburban and rural areas and in cities with populations under 25,000, according to FBI statistics. The generally grim news showed that crimes of violence increased four percent nationwide but that was good compared with the six percent rise in violent crime reported in the first three months of 1973.

GENERAL DIES -- Retired Air Force General Carl (TOOEY) Spaatz, 83, commander of the U.S. Strategic Air Forces in Europe and the Pacific during World War II, died Sunday in Walter Reed General Hospital of congestive heart failure. He had also served as the first Chief of Staff of the Air Force, appointed to that position in 1947 by President Truman when the Air Force became a separate branch of the military services.

ELSEWHERE IN THE WORLD:

CYPRUS -- Tanks and troops of the Greek-officered National Guard took over the Cyprus capital in what appeared to be a successful coup against the republican government. Nicosia Radio says Cypriot publisher Nicholas Sampson was sworn in as the new President following the overthrow. The fate of President Makarios was not immediately known. From Ankara, Turkish Prime Minister Bulent Ecevit issued a strongly worded warning that Turkey would not allow any nation to infringe on the rights of the Cypriot Turks.

Reports said bitter fighting was continuing around the district police station in Limassol. Fighting was also reported in the towns of Larnaca and Famagusta.

-- Moscow Radio, Israeli Radio, and Swedish Defense Staff said Archbishop Makarios was still alive Monday following the Cyprus coup and had sought United Nations protection on the island.

SOUTH VIETNAM ELECTIONS -- South Vietnam says Communist attacks during Sunday's provincial and municipal elections left nearly 500 South Vietnamese dead, wounded or missing. North Vietnamese and Viet Cong losses were put at more than 180 killed. The military command reported 276 Communist ceasefire violations, the highest number for 24-hour period in 17 months. Interior Ministry officials say that despite the Communist attacks 79% of eligible voters went to the polls. The military command also said 2,000 litres of gasoline and 25 tons of artillery and mortar shells were destroyed Monday in a Communist shelling attack. The assault was on a military installation along the central coast.

ISRAEL -- Prime Minister Yitzhak Rabin said he envisions no possibility of negotiating with the Palestine Liberation Organization towards a Middle East peace even if the PLO is included in a Jordanian delegation. "The solution should be between Israel and the country which is east of Israel--Jordan. The negotiations should be between countries and not between countries and organizations," he said. He reiterated Israel's objection to the establishment of a Palestinian state in the occupied bank of West Jordan.

TEST TUBE BABIES -- Medical Science has succeeded for the first time in producing "test tube babies" from human eggs fertilized in the laboratory and then implanted into the uterus, it was disclosed. Professor Douglas Bevis, a researcher at Britain's Leeds University, said three such babies had been born in Europe--at least one of them in Britain--and all were apparently in good health. He said news of the breakthrough had been kept quiet for reasons of medical and personal privacy.

The stock market closed mixed, demonstrating caution over rising interest rates. Trading was slow compared to Friday.

Dow Jones Closing Averages: 30 INDUS 76.61 OFF 0.62
20 TRANSP 157.27 UP 1.94
15 UTILS 67.71 UP 0.48
65 STOCKS 236.10 UP 0.83
VOLUME: 13,560,000 SHARES.

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CONGRESSIONAL ROUNDUP JULY 15

WATERGATE COMMITTEE REPORT:

In its last official action, the Senate Watergate Committee July 13 released a final report in which it proposed a sweeping overhaul of current laws to prevent a recurrence of the Watergate affair. The report, more than 2,000 pages spread over three volumes, concludes a 17-month investigation by the Committee into three main areas -- the Watergate break-in and cover-up, campaign "dirty tricks" during the 1972 election, and campaign financing. The report carefully refrains from assigning guilt or innocence to President Nixon or his aides, leaving this to the House Judiciary Committee to determine.

The report makes a total of 35 recommendations for legislative changes, including: an independent public attorney to investigate and prosecute wrongdoing in the executive branch; closer congressional monitoring of existing investigative agencies; re-examination of federal laws permitting wiretaps; a flat prohibition on anyone in the executive office, including the President, receiving and examining income tax returns of other persons; expansion of the Hatch Act to include the Attorney General and all Justice Department officials; an independent, nonpartisan federal elections commission to enforce laws on campaign contributions and spending.

The report, however, opposes legislation already passed by the Senate for the public financing of federal elections because of what it calls "the fundamental need to protect the voluntary right of individual citizens to express themselves politically guaranteed by the First Amendment."

GIFTS TO FOREIGN HEADS OF STATE:

Senator William Proxmire has asked the General Accounting Office, the investigative arm of Congress, to compile a list of all gifts given since 1960 by U.S. Presidents to foreign heads of state. Sen. Proxmire, in a Senate speech, said "the American taxpayer deserves to know how and why his tax dollars are being given away for diplomatic purposes." He said the recent gift of a two-million-dollar helicopter to Egypt's President Sadat is "...just the latest example of a long string of gifts courtesy of the beleaguered American taxpayer...while the President gives away helicopters, lives are lost in the U.S. every day for lack of speedy transportation to hospitals."

KISSINGER INQUIRY:

The Senate Foreign Relations Committee met in closed session July 15 to hear from FBI Director Clearance Kelley in its inquiry into Secretary of State Henry A. Kissinger's role in wire taps while serving as National Security Adviser. Dr. Kissinger says he did not order the taps but merely supplied names of persons with access to leaked information also before the committee is a letter from President Nixon to Chairman William Fulbright, requested by the Senator June 25, in which Mr. Nixon reportedly takes responsibility for the wiretaps instituted in 1969. Sen. Fulbright had asked the President to clarify a May 22, 1973, statement in which the President said he had "authorized this entire program" in accordance with law.

JACKSON ON DETENTE:

Senator Henry Jackson on "Meet the Press" July 14 said U.S. trade concessions to the Soviet Union should be "tied" to arms reductions. Sen. Jackson seeks arms cuts instead of limits on growth. "I would say to them," he commented, "we will help provide a better standard of living for your people provided that you will reorder your priorities. We will do the same, and link the economic concessions they want to a reduction in arms. Reduce the threshold of violence. That is what I am calling for and I think they will listen because they need economic help."

STRIP MINING:

Months of intense lobbying by coal industry and environmental groups have set the stage for a major House debate this week on legislation to impose strict federal controls on strip mining of coal. The House Interior Committee has reported a bill which would allow surface mining to continue, but would require that the land be restored to the approximate contour it had before being mined. The coal industry says the bill set arbitrary standards that could reduce coal production; it favors a substitute bill with less strict environmental controls. Another substitute bill will be offered which ends strip mining entirely over the next three years. The Administration is sharply split on the whole issue, with Interior Secretary Thurston Morton and FEA Chief John Sawhill opposing the Interior Committee bill and EPA Administrator Russell Train endorsing it. The Senate already has passed a strip mining bill, similar to the one reported by the House Interior Committee.

VETO-PROOF CONGRESS:

It's utterly out of the reach of Senate Democrats, says Washington Post Congressional Correspondent Spencer Rich, even if they pick up as many as nine seats in the November election for a 67 to 3 margin. In a study of key roll call votes, Mr. Rich says that even in the event of this unlikely margin there would still be enough Republicans and Southern Democrats left to assure 4 votes to sustain a veto. This would be particularly true, he adds on such foreign policy matters as strategic nuclear power and such domestic issues as busing to achieve integration. In the meantime, says Mr. Rich, a "veto-proof" Congress gives both Democrats and Republicans a good rallying cry.

CONGRESSIONAL PRIVILEGE:

President Nixon has had his difficulties with Congress over "executive privilege" -- the traditional right of a President to withhold information from another branch of government. Congress reserves to itself a similar privilege. Almost unnoticed last week, the Senate authorized a Judiciary Committee staffer to give evidence an Federal Court on the Committee's rules of procedure. In so doing the Senate restated its doctrine of control over legislative business: "By the privileges of the Senate of the United States, no evidence under the control and in the possession of the Senate of the United States can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission." Both House and Senate rules provide for "Congressional" privilege.

LECTURE ON FOREIGN POLICY AT LAA

Joseph J. Zasloff of the University of Pittsburgh and MacAlister Brown of William College will discuss "Henry Kissinger and the Making of United States Foreign Policy" at 7:30 p.m. Thursday at the Lao American Association.

The question addressed will include "Has Secretary of State Kissinger left a unique mark on American foreign policy, or are he and his policies merely products of the time? Would another secretary of state under another president have made the same decision in the 1970's?"

The LAA is located on Setthathirath Street, just off the downtown fountain square and next to the French Cultural Center.

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UNITED STATES INFORMATION SERVICE VIENTIANE

7/23/74

NEWS ROUNDUP

IN WASHINGTON AND THE NATION:

ECONOMIC NEWS: Federal Energy Administrator John C. Sawhill says petroleum likely will be sufficient in the U.S. next winter, but that natural gas may be in short supply. Consumers, he said, could expect no price relief on energy prices.

The Agriculture Department says world sugar production in 1974-75 will set a record for the second straight year and prices may fall from this year's peaks.

The First National Bank of Chicago held its prime lending rate at twelve percent, even though its formula called for a rate of about 13 percent.

A new Louis Harris poll shows today that Americans apparently have little confidence in the Administration's ability to solve the nation's economic problems. A survey of 1,512 households shows that by a margin of 83 percent to 14 percent, those interviewed expressed lack of confidence in the Administration's performance on "keeping the economy healthy." Forty-six percent said they did not think the government "knows enough about how to prevent a great depression" compared to 35 percent who said it did.

Dr. Paul McCracken, former chairman of the Council of Economic Advisers, says he favors an immediate curb on government spending, and would also support tax relief for families feeling the brunt of inflation.

Senators Herman Talmadge, D.-Ga., and Alan Cranston, D. Calif., urged strict budget controls and cuts in U.S. aid programs to pare the federal budget. Sen. Talmadge said that the Administration would do better fighting inflation if it stopped "trying to act as policeman, banker and Santa Claus" abroad. Sen. Cranston criticized U.S. economic and military aid to "authoritarian regimes abroad."

Ford Motor Company announced price increases of eight percent to dealers on its 1975 models, due to be introduced in September, with the average cost-per-model going up 418 dollars over 1974 models.

JUDICIARY COMMITTEE POLL -- Time magazine estimates that the House Judiciary Committee will vote about 26 to 12 to impeach the President. The magazine said its survey shows as many as seven of the seventeen Republican members might vote for impeachment.

DRUG ARRESTS -- Previously unpublished FBI figures showed today almost seventy per cent of all U.S. drug arrests last year were for marijuana. More than 400,000 persons were arrested on marijuana charges during 1973, an increase of more than 100,000 over the previous year and 66.9 per cent of all drug arrests.

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WAYNE MORSE DIES -- Former Senator Wayne Morse of Oregon, died today in Portland. He was 73. He had been seeking to regain the Senate seat he lost in 1968.

OVERSEAS VOTERS: The House will shortly begin consideration of a Senate-passed bill permitting U.S. citizens domiciled abroad to register and vote in the state where they were last domiciled or registered. It is estimated that about 750,000 Americans would benefit from the measure. Senator Claiborne Pell, D.-Rhode Island, one of the bill's sponsors, says: "Hundreds of thousands of citizens whose vocations require them to live in foreign countries are denied the right to participate in the elective process because there are no absentee registration and voting procedures in the states where they formerly resided, or because they no longer can claim residence or domicile in such states."

ELSEWHERE IN THE WORLD:

CYPRUS CRISIS -- In Athens, the Greek government denied reports from Tel Aviv and Ankara that Greek military officers had staged a coup against the regime of Brig. Gen. Dimitrios Ioannides. The Greek government said the report was spread by people disappointed by the victory of Cypriot Greeks.

British Foreign Minister James Callaghan told the House of Commons that representatives of Britain, Turkey and Greece are expected to gather in Geneva tomorrow or Wednesday for talks on Cyprus.

On arriving in Washington for talks with Secretary of State Henry A. Kissinger, Archbishop Makarios said the cease-fire was significant but only a "first step towards the return of normality." He added: "The role of Mr. Kissinger in bringing about the cease fire was significant and I am grateful to him."

A U.S. Defense Department spokesman announced that 12 large helicopters from the carrier Inchon would evacuate approximately 350 American civilians from the British base of Dhekelia on the south coast of Cyprus. The operation was expected to be completed by 1 p.m. EDT July 22. The spokesman did not know where the evacuees would be taken. He stressed that no security problem existed at the base but said that the British have several thousand of their own nationals to take care and asked the U.S. ambassador to move the Americans. Another 350 Americans remain on Cyprus, the spokesman said.

SIMON COMPLETES TRIP -- U.S. Treasury Secretary William Simon left Kuwait for West Germany today at the end of a nine-day Middle East tour. After visiting West Germany, he planned to pay brief visits to Rome, Paris and London for economic talks.

BREZHNEV DISCUSSES SUMMIT --- In Warsaw, the government celebrated the 30th anniversary of Communist rule in Poland. USSR Party Chief Leonid Brezhnev told the Polish parliament he is disappointed with the results of last month's summit with President Nixon in Moscow. "We wanted more and were prepared for more," Mr. Brezhnev said.

INDIA DEFENDS BOMBS -- Indian Prime Minister Indira Gandhi today rejected any attempt by the advanced nations at "technological apartheid" that would reserve nuclear tests for them. Addressing Parliament, she underscored her argument that India's May 13 underground nuclear blast was designed for peaceful uses.

KISSINGER JULY 22 NEWS CONFERENCE ON CYPRUS SITUATION

Washington, July 22 --- In a July 22 news conference at the State Department, Secretary of State Henry A. Kissinger told reporters that because of close cooperation between the United States, Britain and the European community on the Cyprus situation, "we believe that a rather complicated crisis which had dangers of internationalization has been overcome."

In a conference devoted solely to the Cyprus situation, Dr. Kissinger said that after he had proposed on July 21 that a ceasefire take place July 22 --- to be "followed almost immediately by negotiations" between Greece and Turkey under British auspices --- President Nixon sent letters to the Presidents of Greece and Turkey.

The Nixon letters, he said, were "backed up" by notes to the two sides from Britain and the European community so that the Greeks and Turks knew the Cyprus crisis "wasn't a matter taken lightly by the United States and Europe."

Throughout the Cyprus crisis there has been "substantial agreement" between Washington and London on "every side of the diplomatic process" for bringing about a ceasefire and negotiations, the Secretary, said.

He said, too, that the United States and the European community have been in "very close cooperation" and that U.S.-Soviet Union exchanges "have been constructive" in the Cyprus situation.

Dr. Kissinger also said he "made it clear" July 20 to the Turks and the Greeks that "no war would be fought between NATO allies with an open American supply line" of military equipment. This action, he said, "put a limit to the escalation that could have occurred."

Following are other highlights from the Kissinger news conference:

--- The United States expects that "within the next few days, hopefully by Wednesday (July 24) " the foreign ministers of Greece and Turkey will meet in Geneva under British auspices.

It is the U.S. view that at Geneva there should be an "attempt to settle all the outstanding issues affecting Greece and Turkey, particularly as they bear on the Cyprus problem."

--- A solution of the Cyprus situation should be found "within the constitutional framework which existed in Cyprus before the coup" against Archbishop Makarios. It is "certainly not excluded" that solving the Cyprus problem could involve the return to power of Archbishop Makarios with whom Dr. Kissinger was scheduled to confer later July 22 at the State Department.

--- There have been "reports there may be a coup" attempt against the Greek government "at this moment." But the reports are "very sketchy," and "I am not confirming it officially."

--- What to do about the 650 Greek Army officers on Cyprus who reportedly led the coup against Archbishop Makarios "is an issue that will have to be settled at Geneva."

What position the United States takes on the Greek officers "will depend somewhat on what position the parties take."

--- It is "possible for troops of both sides to remain behind" on Cyprus, for troops of both sides "to leave" the island, or for their presence to be "substantially reduced."

--- It is not the U.S. position that Cyprus should be partitioned between Greek and Turkish Cypriots. "Our position is that we support the territorial integrity and sovereignty of Cyprus, and therefore this (partition) would not be an American solution."

--- On diplomatic recognition of a government of Cyprus, Dr. Kissinger explained that the United States would deviate from its general policy of recognizing de facto governments.

"Our basic policy," he said, "is to recognize de facto governments."

But in Cyprus "it is a more complicated problem" because governments of the island republic have "resulted from constitutional arrangements."

Therefore, Washington expects the matter will be the "subject of negotiations" and will not be "decided on a de facto basis."

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SAUDIS TELL SIMON OIL PRICE MAY DECLINE

by Eugene Brake
IPS Economics Writer

Kuwait, July 22 -- U.S. Secretary of Treasury William Simon ended a four-nation tour of the Middle East July 22.

Mr. Simon came to Kuwait directly from Riyadh, Saudi-Arabia, where he and other U.S. officials helped inaugurate the first of several working groups that will prepare for a meeting of the U.S.-Saudi Arabian Joint Commission on Economic Cooperation in October.

Saudi Arabia wants to invest as much of its oil earnings as it can, to diversify and industrialize its economy. The U.S.-Saudi Arabian Commission will seek cooperative approaches to help Saudi Arabia carry out sound programs to absorb its oil earnings in ways that will assure economic benefits to its people.

Saudi Arabian officials, in talking with newsmen, also stressed that their country would act responsibly as far as oil prices are concerned, because they do not want to cause a worldwide recession. They point out that Saudi Arabian policies have already made it possible for oil prices to decline from the peak they reached during the oil embargo.

Saudi Arabia's oil minister, Sheikh Ahmad Zaki Yamani, told newsmen his country has decided to sell some of its share of the oil production at auction prices, accepting whatever price market forces set without imposing any minimum.

If production is running ahead of consumption, as U.S. officials and some others have been saying, the Saudi Arabian auction could bring a price that is lower than most current oil prices.

Saudi officials confirmed that another subject discussed was the possibility of special issues of U.S. treasury securities for Saudi Arabia to invest their oil earnings in until it is ready to use them for internal investment. Similar special issues have been sold to other countries with large balance-of-payment surpluses, notably Germany.

Such securities do not carry more favorable interest rates than other U.S. government securities of similar maturities. The chief advantage is that the buyer can make large purchases without disturbing financial markets and without driving up the price.

Saudi Arabian officials say they will study this as well as all other possibilities. They stress that they are determined to avoid creating difficulties for the international monetary system.

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ຂ່າວສ່ຽງ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

7/24/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

JUDICIARY COMMITTEE HEARINGS -- Presidential Attorney James St. Clair told a news conference the Watergate evidence "does not indicate complicity on the part of the President." Meanwhile, the House Judiciary Committee's Republican counsel told the Committee, "It is not a narrow question of what the President did on a particular date or whether there was complicity in a crime, but whether the public interest will be served or disserved by removal of the President from office."

Representative Lawrence Hogan of Maryland, considered one of the crucial votes among Republican members of the House Judiciary Committee's announced today he will vote in favor of the impeachment of the President.

The three national networks -- ABC, NBC and CBS -- will rotate daily continuous televised coverage of the Judiciary Committee's final debates on recommending impeachment of President Nixon, expected to begin July 24, by a 346 to 40 margin. The house July 22 approved a rules change to permit such coverage and the committee later concurred by a 31 to 7 vote.

Committee Chairman Rodino has indicated the first hours of the historic debate will consist of 15-minute statements by each of the 38 committee members. The next 20 hours will be devoted to amending and voting on the proposed articles of impeachment. The final vote is expected Saturday or early next week.

KISSINGER GAINS SUPPORT -- Secretary of State Henry A. Kissinger went before the Senate Foreign Relations Committee for the hearing he requested to clear his name of any direct responsibility for wiretapping. He received strong new support from Senate Democratic leader Mike Mansfield who said, "my confidence in him is unshaken on the basis of all the evidence to date."

NIXON BACKERS PRAY -- About 600 supporters of President Nixon prayed, sang and listened to speakers today as they continued the two-day fast and vigil on the steps of the capitol organized by supporters to the Reverend Sun Myung Moon and the National Committee for Fairness to the Presidency headed by Rabbi Baruch Korff.

CIA CHARTER REVIEWED -- The House Armed Services Subcommittee has proposed revising the CIA charter to keep the Agency out of any future Watergate scandals. Deputy Assistant Attorney General Thomas Hayes said the proposal prohibits disclosure of CIA's sources and methods of operation and bars unofficial contacts between ex CIA men and the Agency. Most of the proposals were endorsed by CIA's Director William Colby.

FOOD COSTS DIP -- Another dip in farm prices pulled down the retail cost of an average American family's food market by two dollars in June, the Agriculture Department reported. The decline would have been four times as great if an eight dollar drop in the value of farm products had not been largely wiped out by a six dollar increase in charges for processing, handling and retailing of foods, officials indicated.

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ECONOMY: Following a meeting between the President and a group of economic and business leaders July 23, the White House announced that Mr. Nixon will nominate Alan Greenspan of New York to be Chairman of the Council of Economic Advisers, succeeding Herbert Stein who is leaving the position effective August 31.

SENATE STUDIES CHILE -- Former U.S. Ambassador to Chile Ralph Dungan and Professor John Plank charged "Chile today is a police state with all that characterization entails," at a Senate hearing. Both men were members of a study group which visited Chile in April at the request of Senator Edward Kennedy, chairman of the Subcommittee on Refugees which held the hearing.

SOUTH AFRICA ADS BANNED -- The New York Times has been barred by the New York City Commission on Human Rights from carrying employment advertisements placed by the Republic of South Africa. The Commission said that even though the ads were not discriminatory on face value, "everyone understands that blacks would not be given the same consideration as whites."

AROUND THE WORLD:

CYPRUS DEVELOPMENTS -- Nicos Sampson announced his resignation as President of Cyprus Tuesday morning eight days after his ouster of President Archbishop Makarios. Glafkos Clerides, president of the Cypriot House of Representatives and leader of the Unified Party was announced to succeed Mr. Sampson. Mr. Clerides was the next person in line to succeed the President according to the Constitution.

The Greek armed forces announced today it was turning over power to a civilian government. The announcement came four hours after the start of a meeting of former political leaders and opponents to the military regime with Greek government and military leaders. A Paris report said former premier Constantine Caramanlis had been asked to end his exile and return to Greece as premier.

The British Forces Radio in Cyprus said today there were "new and serious breaches of the cease-fire" this morning and that United Nations troops had temporarily seized the Nicosia airfield. A Turkish spokesman said the Turkish military operation on Cyprus continued.

CONGRESSIONAL REACTION -- Senate democratic leader Mike Mansfield and Republican Leader Hugh Scott have expressed bipartisan backing of U.S. initiatives to secure a peaceful settlement of the Cyprus issue. Sen. Mansfield: "I commend efforts of President Nixon, Secretary Kissinger and Under Secretary Sisco in trying to bring about some degree of order." Sen. Scott: "The diplomatic skill of the President, Secretary of State, and the Under Secretary of State has again brought about a relaxation of tensions in a dangerous part of the world."

Both warned of the potential dangers to NATO's southern flank, Sen. Mansfield noting that "because of its proximity of the Middle East and the Soviet Union that is the most important flank of all." He told the Senate: We ought to give the most serious consideration to the suspension of military and economic aid to that area until and unless this question is settled on the basis of the (Cypriot) constitution drawn up in 1960. "It is important that both Greece and Turkey continue to show restraint."

BRITAIN BORROWS -- Britain has borrowed 1.2 billion dollars from the Shah of Iran as part of its attempt to prop up the economy.

CHINA WHEAT -- The summer wheat harvest in China "hit an all time high" in ten key areas and "total output rose by a big margin over that of last summer" according to the New China News Agency.

SIMON IN ROME -- Treasury Secretary William Simon arrived in Rome Tuesday for talks about a proposal to get investment from the newly-affluent oil-producing nations to help save Italy's sagging economy.

FRANCO BETTER -- Doctors of Generalissimo Francisco Franco said Tuesday he will recover completely from a circulatory ailment and there is no medical reason why he could not take back the power of chief of state which he delegated to Prince Juan Carlos four days ago.

AUSTRALIA CUTS IMMIGRATION -- Australia today announced a cut-back in immigration to 80,000, a reduction of 30,000 in the existing quota. The move was part of a series of government measures to combat inflation.

MIDEAST -- Israeli warplanes today struck at guerrilla targets in southeast Lebanon in an area known as "Fatahland" because of the alleged presence there of members of the Al Fatah Palestinian guerrilla organization.

Egypt's President Anwar Sadat asserted that civil war among the Arabs was the only alternative to coordinating their attitudes toward a Middle East settlement. Speaking at a rally to mark the anniversary of the 1952 Egyptian revolution, President Sadat also urged an end to misunderstandings with the Soviet Union and suggested that Lebanon take part in the Geneva Middle East peace conference.

STOCK MARKET -- News that the financially pressed Consolidated Edison Company of New York has resumed payment of the quarterly dividend touched off a mild celebration on Wall Street sending stock prices moderately higher.

Dow Jones Closing Averages: 30 INDUS 797.72 UP 7.36
20 TRANSP 163.92 UP 2.09
15 UTILS 69.85 UP 1.69
65 STOCKS 241.64 UP 2.92
VOLUME: 12,910,000 SHARES.

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U.S. HOPES FOR INCREASED FOOD AID NEXT YEAR

Washington, July 23 -- The United States is hopeful that it can increase its Food-for-Peace Program by 20-25 percent in the next 12 months, based on the expected increase in crops this year.

Andrew J. Mair, coordinator of the Food-for-Peace Agency, made the statement in testimony before the House Committee on Agriculture July 23. There seems to be enough increase in the wheat crops, he said, although "we won't really know until the crop is in" and can see what effect it has on food prices.

The proposal to increase the program is now under study, Mr. Mair said. A decision is expected in 30 or 40 days.

Don Paarlberg, the Department of Agriculture's Chief Economist, was a bit more pessimistic about the present crop, but agreed that the Administration is hoping to be able to increase the PL 480 program. Meanwhile, he said:

"I am praying for good weather in Asia. Our own crop doesn't look so good as to give us the very large stock that would be needed if there were a massive disaster in Asia or Africa or somewhere else. We have an awful lot riding on (depending on) what the weather is like the next couple of months."

In his prepared testimony, Dr. Paarlberg gave this appraisal:

(Begin Excerpts)

For 1974, the world grain crop is improved.

Grain is the central question. World grain production reached a new peak in fiscal year 1974 and was sharply above the trendline. Yet this wasn't enough to offset world needs, and grain reserves were further depleted. During fiscal year 1975, we expect another production boost, but the margin above the long-term trend will narrow from 1974. This projection includes the impact of adverse spring weather in parts of North America and Asia. Looking ahead for major grains:

-- Wheat production may be large enough to permit a slight recovery in world reserves by next summer, including an approximate doubling of our own wheat stocks to around 400 million bushels, still relatively low. World trade in wheat may be a little smaller during 1974-75, in part because of smaller purchases by the Soviet Union.

-- World feed grain stocks may increase considerably more, although much still depends on the outcome of our corn harvest. And our feed grain stocks may rise by the fall of 1975. The U.S. corn crop is still very much a question-mark.

-- Rice supplies remain very tight, and little more can be said until performance of summer monsoons in Asia is evaluated. An eighth of the Asian rice acreage is planted in miracle rice varieties, which are most vulnerable to yield losses from short fertilizer supplies.

Fulfillment of these projections depends on agricultural performance in certain key countries as well as the impact of tight fertilizer supplies. Three nations produce much of the grain that is available for export:

-- The United States will have enough grain to match last year's record exports. But sensitive crop conditions have kept grain prices at high levels.

-- Canada may have more wheat and feed grains to export than last fiscal year. Although heavy spring rain reduced wheat planting, preliminary estimates are for a wheat crop of 16-1/2 to 17 million metric tons, a little below last year.

-- Australia may have about a third more wheat to export, following a wheat harvest nearly double 1972's drought-reduced crop.

Several nations have especially large grains import needs:

-- While the Soviet Union will be in a net export position in fiscal year 1975, it will probably import some grain, but only a fraction of the 9-1/2 million metric tons it purchased during fiscal year 1974. We recently estimated the Soviet grain crop at 215 million metric tons, which would be 10 million tons above the plan level but down from the 1973 record of 222-1/2 million metric tons.

-- India -- and this is crucial -- may need to call for food aid unless weather improves. Good rains last year promoted a near record food grain harvest. But this year's monsoon season began with June rainfall averaging 40 percent below normal in major farming regions. Good rains brought relief during early July but crops still hang in the balance. And even without further deterioration in crop prospects, India's grain imports may rise from 5-1/2 million metric tons in the last fiscal year.

-- China had a dry winter and spring. Wheat output probably has been reduced and continuing dryness could hurt summer rice crops. Recent purchase from Canada of an extra million tons of wheat may signal intentions to buy more food grain from the west if domestic crops are short.

-- Africa is finally getting rain. Abundant rain has fallen in many areas of the East African drought zone. Seasonal rains have started in the drought countries of the west but more moisture will be needed to grow normal crops....

U.S. agricultural exports are going to decline during fiscal year 1975. From their current level of 21 billion dollars, they may dip to 17-19 billion dollars, reflecting the larger world grain output, lower prices for the goods we export, and slower economic growth in some countries, affecting their purchasing power.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	0700-0900 local
	31 meter band	9545 kHz	0500-0900 local
	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1530 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

7/25/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

SUPREME COURT DECISION -- The Supreme Court ruled unanimously Wednesday that President Nixon must surrender the tapes and records of 64 Watergate-related White House conversations subpoenaed by Special Prosecutor Leon Jaworski for use in criminal proceedings against six former presidential aides and associates. The decision of the eight justices who heard the case -- Justice Rehnquist did not participate -- was handed down in an opinion written by Chief Justice Warren Burger.

"We conclude," wrote Justice Burger, "That when the ground for asserting (Presidential) privilege as to subpoenaed materials sought for use in a criminal trial is based only on the generalized interest in confidentiality, it cannot prevail over the fundamental demands of due process of law in the administration of criminal justice."

NIXON WILL COMPLY -- President Nixon will comply "in all respects" with the Supreme Court decision ordering him to surrender additional Watergate tape recordings.

White House Attorney James St. Clair read the President's statement July 24 over nationwide television.

Following is the text of the President's statement:

(Begin Text)

"My challenge in the courts to the subpoena of the Special Prosecutor was based on the belief that it was unconstitutionally issued, and on my strong desire to protect the principle of presidential confidentiality in a system of separation of powers.

"While I am of course disappointed in the result, I respect and accept the Court's decision, and I have instructed Mr. St. Clair to take whatever measures are necessary to comply with that decision in all respects.

"For the future, it will be essential that the special circumstances of this case not be permitted to cloud the rights of presidents to maintain the basic confidentiality without which this office cannot function. I was gratified, therefore, to note that the Court reaffirmed both the validity and the importance of the principle of executive privilege -- the principle I had sought to maintain. By complying fully with the Court's ruling in this case, I hope and trust that I will contribute to strengthening rather than weakening this principle for the future -- so that this will prove to be not the precedent that destroyed the principle, but the action that preserved it." (End Nixon Text)

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Mr. St. Clair added: "As we all know, the President has always been a firm believer in the rule of law. He intends his decision to comply fully with the Court's ruling as an action in furtherance of that belief.

"In accordance with his instruction, the time-consuming process of reviewing the tapes subject to the subpoena and the preparation of the index and analysis required by Judge Sirica's order will begin forthwith."

JUDICIARY HEARINGS -- Wednesday at 7:30 p.m. e.d.t., the House Judiciary Committee began its historic debate on the proposed articles of impeachment of President Nixon. The debate, which will be on prime time television, will determine whether the President should be recommended for impeachment by the House of Representatives, tried by the Senate.

Wednesday's three-hour committee session will start with 15 minute speeches by the most senior members. The real debate likely will come later this week in day-and-night sessions which Chairman Peter Rodino is determined to conclude by the end of the week.

ANTI-HIJACKING ACT -- After two years of Congressional deliberations the Senate July 23 passed and sent to the White House the "Anti-Hijacking Act of 1974" implementing in law the Hague Convention Against the Unlawful Seizure of Aircraft. The act also provides for strong sanctions against nations that harbor hijackers, countries that continued to provide air service to those nations; and countries failing to establish adequate airport security.

BUDGET -- The treasury department estimated that the federal budget for the fiscal year that ended June 30 would wind up in the red by 3.5 billion dollars. In fiscal year 1974, the Treasury said, overall revenues amounted to 264.8 billion dollars while spending totaled 268.3 billion dollars. The final budget figures came in a joint statement by Treasury Secretary William E. Simon and Director Roy L. Ash of the Office of Management and Budget. The government report noted that the size of the deficit was smaller than had been anticipated when the budget was originally drafted.

POLLUTION CONTROLS -- In Detroit, the Ford Motor Company said that government has approved its 1975 model cars and trucks which will produce less than half the pollutants of this year's models. The No. 2 automaker was the first to announce that it has been able to meet the stricter standards which will result in an 86 per cent reduction in hydrocarbons and an 84 percent drop in carbon monoxide from cars built in the mid-1960's.

Dow Jones Closing Averages: 30 INDUS 805.77 UP 8.05
20 TRANSP 165.24 UP 1.32
15 UTILS 70.90 UP 1.05
65 STOCKS 244.11 UP 2.47
VOLUME: 12,870,000

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KISSINGER WELCOMES ATHENS, CYPRUS GOVERNMENTS

Washington, July 24 -- Secretary of State Henry A. Kissinger welcomes the return of civilian leadership to Greece under the leadership of Premier Constantine Karamanlis and the installation of Glafkos Clerides as "Acting President" of Cyprus.

"We welcome both developments," he said July 24 while testifying before the Senate Subcommittee on Foreign Operations about the Administration proposed 8.5 billion dollar foreign assistance bill.

In two and one-half hours of answering the Senators' questions, Dr. Kissinger also disclosed that U.S. Ambassador William Macomber has returned to Ankara with a letter from President Nixon designed to open a U.S.-Turkish dialogue on effective control of opium poppy traffic.

Following are the highlights of Dr. Kissinger's responses to the legislators' queries, which also dealt with the Middle East, Latin America and Indochina:

GREECE -- "Our impression is that civilian government has been substantially restored... the (Greek) army...will play a role, but not as dominant as it has in the past." Washington "established contact" with the new leadership in Athens July 23.

CYPRUS -- Mr. Clerides "has taken over as acting president as was foreseen" by the Cyprus constitution "under conditions when the President is absent or incapacitated."

TURKEY -- At a "minimum, effective control of poppy traffic is an absolute requirement." As soon as the Cyprus problem "is brought to a point that Turkey can deal with other problems," A U.S.-Turkish discussion will begin on the poppy problem. The Administration thinks that "statements of concern" by the Senators over Turkey's decision to resume cultivating the opium poppy would be helpful in making it clear to Ankara that Washington does not take lightly renewed export of poppies.

PALESTINIANS -- The Palestinian problem "is perhaps the most complex aspect of a settlement" in the Middle East. The U.S. "position has been to proceed step-by-step and deal with immediate issues first."

Dr. Kissinger recalled that in a recent press conference "I said... I thought the most efficient approach would be" a settlement between Jordan and Israel and a settlement between Jordan and the Palestinians of political conditions on the West Bank.

But, he told the subcommittee, "it remains to be seen whether that can be achieved." He said that, beginning next week, representatives of Israel, Jordan, Egypt and Syria would be in Washington.

During August, he said, "we will have more detailed" discussion of the Palestinian question, and "we will be able to give a perhaps more comprehensive answer."

NUCLEAR: The nuclear reactors that the Administration wants to sell to Egypt and Israel will have safeguards "we believe...will reduce" the possibility of conversion to nuclear weapons "to what we consider insignificant proportions."

India's recent explosion of a nuclear bomb by converting materials from its nuclear plant came about because the plant was built before International Atomic Energy Agency (IAEA) safeguards came into effect.

While the U.S. restrictions "will be far safer" than the IAEA's, Washington realizes it "is urgent" to get a "universal policy" on nuclear non-proliferation and will make a "major attempt over the next year to get this problem under control."

INDOCHINA: If the United States continues "modest assistance" to South Vietnam, "we shall make it increasingly unattractive" for North Vietnam to attempt military pressure against the South.

South Korea -- Questioned by Senator Edward Brooke about the advisability of continuing U.S. aid to "authoritarian governments," such as that of President Park Chung Hee, Dr. Kissinger said that American assistance to South Korea has continued "even when we would not have recommended many of the (domestic political) actions taken by" President Park's government.

U.S. aid to South Korea is "dictated by strategic and political necessities" and the judgment that the "stability and security" of South Korea is "crucial to the stability and security of the East Asia area."

CUBA; Washington is not taking "any new initiative" toward Havana "at this moment." But many Latin American nations are "considering their positions" on Cuba, and "we are watching the develop."

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
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	31 meter abnd	9545 kHz	0500-0700 local
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	49 meter band	6110 kHz	
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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

7/26/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE NATION

ECONOMY ADDRESS -- President Nixon has told the American people he will not "prime the pumps of inflation" with deficit spending, easier credit or tax cuts.

In a major television address to the nation July 25, Mr. Nixon also made these points:

-- In the short run, the strategy is to cut down on demand; the long-run goal is to increase supply.

-- He intends to cut the current budget below his original goal of 305,000 million dollars to a new level of 300,000 million. He threatened to veto any Congressional moves that would raise the budget above that figure.

-- He has ordered 40,000 federal employees to be cut from the budget for the current year.

-- He will propose repeal of existing laws that make spending mandatory.

-- In monetary policy, the President recommended "an adequate supply of money and credit" while preventing that supply from rising too fast. But monetary restraint will not be "over done." Money and credit should support moderate growth at reasonable prices. There will not be a "credit crunch" in which money for essential economic activity becomes unavailable.

-- Nor will there be any sudden dramatic "wringing out" of inflation, "the cost of which in terms of decreased employment would be unacceptable."

-- The President called on the American people and businessmen to cut down on their spending and build their savings instead.

-- The nation must focus "above all on producing more, so we can have more goods and services without higher prices."

JUDICIARY HEARINGS -- The House Judiciary Committee resumed its televised debate on the impeachment of President Nixon. Opening the morning session, Republican representative Charles E. Wiggins of California declared President Nixon "is entitled to a presumption of innocence."

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Democrat John Conyers of Michigan countered by saying that President Nixon must be removed from office "to restore to our government the proper balance of Constitutional power." Then Republican David Dennis of Indiana told the Committee it cannot approach impeachment on "whether we like or dislike Richard Nixon," but that "clear and convincing" proof is required to "justify his impeachment and removal in disgrace."

TAPES DELIVERY --- Special Prosecutor Leon Jaworski asked a federal court to compel President Nixon to begin delivering subpoenaed tape recordings within two days for use in the Watergate cover-up trial scheduled to start September 9.

BUDGET COMMITTEE -- The Senate approved by voice vote the naming of Senator Edmund Muskie, D. Maine, and eight other Democrats to be members of the Budget Control Committee, created earlier at this year by Congress and charged with setting legislative priorities and placing a ceiling on appropriations. A similar committee will be established in the House.

CROPS -- According to the Crop Reporting Board, stocks of all grains, except soybeans, on July 1, 1974 were below a year earlier. Stocks of the four feed grains (corn, oats, barley, and sorghum) totaled 52.3 million tons, 26 percent less than July 1, 1973. April-June feed grain disappearance totaled a record high of 50.5 million tons, three percent more than for the same quarter in 1973.

Stocks of all wheat are 43 percent below a year earlier, but soybean stocks were nearly double a year ago. Corn in all storage positions on July 1, 1974 totaled 26 percent less than a year earlier, and 34 percent less than July 1, 1972.

AROUND THE WORLD:

SOUTH KOREA --- Seoul district court sentenced to death five civilians on charges of espionage and plotting an uprising against President Park. Three others in case were given life terms and 24 were given one to 25 year sentences. Defendants included two university professors, one of whom was given the death penalty, a veterinarian and two Protestant clergymen.

LAOS --- In Vientiane, finance minister Ngone Sananikone says the government will adopt stringent import controls to avoid devaluing currency. Banks ordered closed Monday will reopen next week and government has funds on hand to permit import of necessities for rest of year.

INDONESIA --- The Central Bank reported that Indonesia's oil revenue was more than 1,700 million dollars in first five months of year, surpassing entire annual oil revenue of 1973.

SAIGON --- In Saigon, the military command said South Vietnamese flew a record 220 airstrikes as heavy Communist attacks continued nationwide. Viet Cong troops overran two small militia posts near besieged Duc Duc district town, 50 miles north of Saigon.

UNICEF IN INDOCHINA --- UNICEF has announced that Britain is making a special contribution of 2,381,000 dollars to assist in reconstruction of services for children and mothers in Indochina. UNICEF is helping countries rebuild and further develop the basic services for children throughout the Indochina peninsula. Other major contributions have been made by Australia, Denmark, West Germany, Finland, Japan, Netherlands, New Zealand, Norway and Sweden.

CYPRUS --- While Britain flew 500 troop reinforcements and a squadron of 12 American-built F-4 Phantom jets into Cyprus to reinforce U.N. peace-keeping efforts there, Greece and Turkey brought the explosive crisis to the conference table. The shaky three-day old cease-fire appeared to be taking hold.

IBM INVESTIGATION -- In Brussels, the European Common Market announced it will open an official investigation into possible antitrust violations by International Business Machines, the giant American computer firm. It said that IBM, with 61 percent of the European computer market, definitely held a dominant position, contrary to the Common Market rules forbidding "abuse of a dominant position in the market."

Dow Jones Closing Averages: 30 INDUS 795.68 OFF 10.09
20 TRANSP 165.35 UP 0.11
15 UTILS 71.03 UP 0.13
65 STOCKS 242.34 OFF 1.77
VOLUME: 14,310,000 SHARES.



ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

7/30/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE NATION:

IMPEACHMENT PROCEEDINGS -- The House Judiciary Committee, which recommended July 27 President Nixon's removal from office for obstruction of justice in the Watergate cover-up, started to debate whether he should be impeached also for abusing the powers of his Presidency.

Meanwhile, the Senate by unanimous consent July 29 adopted a resolution directing the Senate Rules Committee to "review any and all existing rules and precedents that apply to impeachment trials with a view to recommending any revisions, if necessary, which may be required if the Senate is called upon to conduct such a trial." The resolution was filed by Senate Democratic leaders Mike Mansfield and Robert Byrd and Republican leaders Hugh Scott and Robert Griffin. The resolution also instructs the Committee to report back by September 1, or earlier if the leadership so designates.

JACKSON PRESIDENCY: Senator Henry Jackson has taken the first step in what many see as a campaign for the Democratic presidential nomination in 1976. He has registered a "Jackson Planning Committee" with the Federal Elections Office, a step necessary to receiving and distributing campaign contributions. A spokesman for the Senator is quoted as saying the committee will "look into whether the campaign is feasible."

FOOD SHIPMENTS -- U.S. Agriculture Department experts said the transportation bottlenecks caused by the 1972 U.S.-Soviet wheat deal are clearing up. But the cost of shipping farm products to overseas markets has increased sharply.

ELSEWHERE IN THE WORLD:

INDOCHINA -- Fighting continues around Da Nang, South Vietnam's second largest city, where communist troops fired rockets on government positions. Seven persons in Da Nang have been killed and 21 wounded in this latest barrage.

In Cambodia, government troops reported killing 87 insurgents in two battles near Phnom Penh. Government losses were listed as four dead and 13 wounded.

VIETNAM BLACK MARKET: Representative Les Aspin, a member of the House Armed Services Committee, has asked the General Accounting Office, investigative arm of Congress, to check into reports that Saigon officials have diverted U.S.-financed fertilizer into the black market. Rep. Aspin charges Vietnamese legislators, province chiefs, and businessmen have reaped huge profits by the diversions. Now widely reported in the Vietnamese press.

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U.S. AID TO SOUTH KOREA: Senator Frank Church, an opponent of U.S. foreign aid programs, filed an amendment July 29 to the U.S. Foreign Aid Bill that would cut off all military assistance to South Korea. In a Senate floor speech Sen. Church, noting the request for South Korea totals 500 million dollars, asked, "What possible justification can there be for such massive military assistance to a government that has come to embrace the very totalitarianism against which our aid program is supposed to defend?" Four years ago Sen. Church broke with U.S. aid programs in a Senate speech entitled, "A Liberal Says Farewell to Foreign Aid."

GERMAN DEMOCRATIC REPUBLIC: East German harassment of access routes to Berlin will cause a delay in the establishment of U.S.-German Democratic Republic diplomatic relations, the U.S. State Department announced.

A spokesman said that an East German delegation that opened talks in Washington July 15 for establishing relations was told "late last week" that slow downs on the access routes would have to be "cleared up."

The spokesman noted that the East German action was taken because the GDR is opposed to the opening in Berlin of a Federal Environmental Agency by the Federal Republic of Germany. The West Germans formally announced the Agency's establishment July 25. Since then the GDR has been "stopping and checking" vehicles on the access routes, he said, noting that "we believe this is in violation of the quadrupartite agreement" on Berlin.

The spokesman read the following prepared statement:

"Good progress has been made since the negotiating sessions began July 15 to conclude arrangements for establishment of diplomatic relations.

"However, in view of the problems on the Berlin access routes since July 25, we have told the German Democratic Republic delegation that we are not now in a position to proceed further pending satisfactory clarification of the situation."

He said the GDR delegation is still in Washington and the United States is awaiting its response to the U.S. position.

LAW OF SEA -- In an attempt to break the deadlock at the U.N. Law of the Sea Conference meeting in Caracas, a group of nine nations proposed that coastal states be given sovereign rights over fishing and deep sea mining out to 200 miles. The proposed compromise is intended to heal the split at the conference between the bloc that wants a 200 mile territorial sea and the bloc that wants to limit territorial waters to 12 miles.

AUSTRALIAN SALES -- Australia has announced the sale of another million metric tons of wheat to China for more than 177 million U.S. dollars.

Dow Jones Closing Stock Averages: 30 INDUS 770.89 OFF 13.68
20 TRANSP 160.86 OFF 2.44
15 UTILS 69.50 OFF 1.12
65 STOCKS 235.35 OFF 3.96
VOLUME: 11,560,000 SHARES.

GREENSPAN VOICES ECONOMIC VIEWS

Now that the Administration says it has embraced the "old-time religion" of balancing the budget and restraining the growth of government to fight inflation, President Nixon's choice of Alan Greenspan to replace Herbert Stein as Chairman of the Council of Economic Advisers in September is a natural. To the congregation of conservative economists, Mr. Greenspan is high priest, and austerity is his faith.

Mr. Greenspan, an erudite business economist who heads the Wall Street consulting firm of Townsend-Greenspan and Co., has been an outside adviser to Mr. Nixon and his economic policymakers since the late 1960s. His appointment to the CEA was acclaimed by economists ranging from such liberals as Walter W. Heller to such conservatives as Murray L. Weidenbaum. In a Business Week interview, Mr. Greenspan this week discussed a wide range of economic issues.

Q. What do you think can be done to fight inflation?

Greenspan. I fully subscribe to the thrust of current policy. It has taken a long time to get to a policy of restraint, but I like what I see. What is at stake is so large what I do not see how you can avoid the necessity of trying. The stakes are the basic economic and political freedoms which are what this country is all about.

Because of the buildup of inflationary pressures, there is considerable instability in world economies. We have never seen anything like this in peacetime. As a consequence, our whole structure of economic theory is really quite deficient. Anything we can add by new techniques, fresh insights, and analogies that will make us understand what is relevant can add to the making of economic policy. That is the basic function I envisage for the Council.

Q. What would do most to bring the world back into economic equilibrium?

Two Things. Balance the U.S. budget and get the world price of crude oil down.

Q. Would you recommend a more restrictive fiscal policy?"

I am not sure. We have a chance at this stage to make a substantial dent in the inflation rate, but my view is that there is not terribly much that can be done in the short run. While I would obviously like to see that budget cut more in the near term, I would not overemphasize that. My main focus is what you can do that will have an effect in fiscal 1976, when I would like to see a budget balance or surplus. I am not saying we should ignore the short term, but we often make policies to buy time. The real payoff is in getting the system into a stable, rational balance one or two years from now.

Q. How do you feel about prospects for a balanced budget in 1976?

A mild sense of trepidation. I am not naive enough to believe that the programs now in the federal budget are there by accident. There are very strong reasons and very considerable fiscal constituencies underlying every one of these programs.

Q. Do you agree with Administration plans to cut so-called uncontrollable expenditures?

Most certainly. Unless we change our view of the degree of uncontrollables, inflation is an absolutely insoluble problem. It is critically important for Congress to review many of its previously passed programs.

Q. Would you recommend slowing the growth of the public sector?

Ideally, I would like to see it cut back, but that is more than I think is realistic. If federal spending growth rates slow dramatically, I would say we're on the right track.

Basically, what I am interested in is what demands the government makes on the capital markets. You have to look at the unified budget plus offbudget agencies and federally-sponsored credit agencies. To the extent that these give de facto credit guarantees, the impact on the capital markets and the degree of their absorption of private savings is indistinguishable from direct treasury borrowings.

Q. If spending can't be brought under control, should we raise taxes?

Ultimately, a tax increase is a short term solution. You just postpone coming to grips with spending increases.

Q. Do you favor any form of wage and price guidelines or jawboning?

I would be most uncomfortable with such medicine. The experience we have had in this area shows that such programs eventually exacerbate the problems of inflation.

Q. Does all this mean that the nation must endure a period of slow growth?

It is not a necessary condition for pulling us out of inflation, but it is a likely requirement. It is feasible that tremendous progress on the fiscal side could cause inflation premiums to collapse, price expectations to return to normal, and consumer markets to strengthen -- but this scenario is not probable.

Q. Will this hurt capital investment?

This happens to be an unusual period in which it is possible to have a marked slowing in consumer spending and still have a big increase in capital spending. The backlog of spending plans to increase capacity and produce profit-creating things that will displace energy has built-in strong expansion motives for a number of years.

Q. Could this slow growth plus inflation turn into a recession?

It is a slow probability, but it is something to be concerned about.

Q. Even without a recession, are we not facing high unemployment?

I don't like the concept of a target. I think policy should focus on maintaining the highest level of employment and lowest level of unemployment in the longer-term context. But we have too often focused on getting unemployment down in the short term, resulting in deteriorating trade-offs of unemployment and inflation. I think the ideal unemployment level is the lowest one sustainable in the long run, but I'm not sure whether that is 4 percent, 4.5 percent, or 5 percent.

It is tragic that we have allowed this problem to get so bad. Many people are going to get hurt. We are now paying a price for the ad hoc, short-term policy that put us in this position, and I hope we will be able to contain the costs.



ຂ່າວສຳນຳ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/1/74

NEWS ROUNDUP

VOA:

A leading advisor to South Vietnamese President Thieu said North Vietnam is preparing a general offensive aimed at conquering the South. The New York Times in a Saigon dispatch quotes Quang Duc Nhang as saying the signs are very ominous. He reportedly said the North Vietnamese are afraid that if the Viet Cong were left on their own to operate in the South they would probably be willing to agree to a political settlement. This fear Mr. Nhang said has pushed Hanoi to maintain troops in the South.

On South Vietnam's battlefields communist gunners shelled a government base along the Cambodian border Sunday for the second straight day. There are no reports of casualties.

In Cambodia government troops reported no progress Sunday in efforts to retake the town of Oudong which had been in communist hands since March 18. Interviews with those who left Oudong tell of communist executions of Cambodian officers and wounded personnel.

Syrian and Israeli forces exchanged artillery tank and rocket fire for several hours Sunday for the 20th consecutive day. Syria says a Syrian soldier was killed and two others including an officer were wounded. Israel says Syrian patrols tried to infiltrate Israeli lines and an artillery duel followed. No Israeli casualties were reported.

In Washington Israeli Defense Minister Moshe Dayan said he is hopeful that an agreement with Syria on military disengagement can be reached. Appearing on U.S. TV Sunday, General Dayan said he had given U.S. Secretary of State Henry Kissinger Israel's plan for such an agreement. Dr. Kissinger will relay the Israeli suggestions to a Syrian delegation expected in Washington April 10 and 11. General Dayan also said that Israel has no evidence that the Soviet Union provided nuclear heads for Egyptian missiles.

Common Market Foreign Ministers meet in Luxembourg Monday to hear a report from their British counterpart on how he intends to renegotiate the terms of Britain's membership. British Labor Government Foreign Secretary James Callaghan will address the Ministerial Council of the European Economic Community on the subject. The Common Market issue dominated the Labor Party's campaign in last month's general elections. Over the weekend, Prime Minister Harold Wilson told a party rally that renegotiation would be pushed forward with all urgency.

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A Kuwait official said an American offer to sell Kuwait American-made military and civilian aircraft was accepted. The French press agency reports that Defense Minister of Kuwait said a delegation will probably go to the U.S. soon to discuss the matter and an American mission will travel to Kuwait. He also denied a report in a Beirut weekly that Kuwait and other Arab producing nations had lifted the oil embargo on the U.S. under threat of U.S. military intervention. The Kuwaiti official said the Arab states are free to use the oil as a political weapon when they wish and could re-establish the embargo if U.S. efforts to bring a Middle East peace proved insincere.

In a nationally televised interview U.S. Senator Church said the oil problem is one of price not quantity. He said the lifting of the Arab oil embargo has not changed the price. He predicted that the price will go up sharply. Senator Church said the U.S. must recognize that these are hijack prices and will have disastrous consequences. He said it would mean continued inflation, a negative balance of payments and harm to developing countries.

U.N. economists have warned that the world's monetary and trade system will become increasingly unstable until there is international cooperation in dealing with increased oil prices. The U.N. Economic Commission for Europe in its annual survey also said owing to oil costs, economic growth would be slower in almost all Western European countries this year. It said trade balances of most nations in Western and Eastern Europe would deteriorate and inflation would average more than 10%. They survey said joint international efforts are needed to remedy the situation. The report said there are increased possibilities for East-West trade but its rate of growth is also likely to slacken.

The Soviet Party newspaper Pravda said certain forces in the U.S. are creating difficulties to the improvement to the relations between Washington and Moscow. Pravda criticized the American press for publishing reports that trade relations with Moscow would be profitable only to the Soviet Union. It also said the American Congress has been pressured to adopt an unfavorable position on normalizing economic ties with Moscow. A number of American Senators and Congressmen have expressed opposition to trade concessions and low cost government subsidized credits to the Soviet Union and other communist countries which do not allow free emigration.

President Nixon has announced plans to strengthen federal programs to aid American veterans, especially those who fought in South East Asia. In radio address from his Florida home the President said he is creating a new Domestic Council on Veterans' Affairs. He also announced formation of a management team to review the services of the Veterans' Administration whose policies have come under repeated criticism recently from a number of Federal sources.

In his speech President Nixon said benefits and opportunities for veterans have improved under his Administration but he said there are some weaknesses in the system he wants to rectify.

With security agents patrolling the grounds, U.S. Secretary of State Henry Kissinger and his tall blonde bride the former Nancy McGinnis are honeymooning at a villa in Acapulco, Mexico. They were married Saturday in a brief civil ceremony near Washington with only family members and a few close friends present.

SUMMARY OF U.S. FOREIGN AFFAIRS DEVELOPMENTS -- MARCH, 1974

-- In presenting a "broad overview" of U.S. foreign policy positions to the Senate Foreign Relations Committee this month, Joseph Sisco, newly appointed Under Secretary of State for Political Affairs, said "our interests, our strengths and our resources compel an active and responsible American role in the world. This does not mean there is or should be a Washington blueprint for every international conflict -- military or economic. It does mean a policy of selective engagement on the critical problems of our time..."

Mr. Sisco made these specific points:

"New relationships with countries with different systems and outlooks are only possible if old relationships with allies remain strong."

"The problem before us is whether the nations of the Atlantic area and Japan, faced with self-evident problems that affect them all, can develop a common approach or whether this relationship is dominated by nationalistic rivalries.... There can be no higher priority than to encourage Japan and Western Europe to join us in giving fresh creativity to our alliances based on our common objectives."

Mr. Sisco told the Foreign Relations Committee that the new U.S. relationship with the People's Republic of China "is contributing to a more hopeful environment for peace, particularly in Asia... In 1974 we will strive to deepen our dialogue, to give durable form and content to our relationship."

In Manila earlier in the month, Kenneth Rush, Under Secretary of State for Economic Affairs, concluded a seven-nation familiarization tour of East Asia with a reaffirmation of the U.S. intention "to keep a presence in Asia in order to preserve the equilibrium which now exists."

Mr. Rush said American policies in Asia "have two basic and mutually reinforcing purposes. First we seek to build a network of mutual understanding and mutual restraint among the major powers of Asia: the United States, the Soviet Union, Japan and the People's Republic of China. Second, we intend to pursue with our allies in Asia the goal of the Nixon Doctrine to share the responsibilities and burdens of development and defense..."

Addressing the Far East-America Council in New York March 27, Robert S. Ingersoll, Assistant Secretary of State for East Asian and Pacific Affairs, said that among the major powers involved in Asia "there is increasing recognition that each has legitimate interests in the area, and a responsibility commensurate with its strength to see that the quadrilateral relationship contributes to stability rather than chaos."

"Despite a continuing potential for conflict on the Sino-Soviet frontier," Mr. Ingersoll said, "the prospect of armed violence among the large powers of Asia seems more remote than at any time in the postwar period. It is our hope, and the aim of our policies, that this relatively stable equilibrium can be maintained and consolidated, so that each of the four major powers develops a growing stake in restrained and peaceful interaction."

Mr. Ingersoll, former U.S. Ambassador to Japan, said "throughout the Pacific area, statesmen recognize our security relationship with the Japanese as an indispensable pillar of regional stability. Similarly, the economic well-being and growth of the region depend heavily on continuing American and Japanese economic assistance, investment and access to our respective markets."

Mr. Ingersoll had only recently returned from a six-week tour of fourteen East Asia and Pacific nations. In a speech to a Foreign Policy Conference in San Francisco he said the United States and Japan must avoid destructive competition and also, as the world's largest importers of petroleum, avoid bidding up oil prices, thus "creating chaos in world markets and stimulating political rivalries." The two nations have a "common interest" in developing more efficient means of utilizing fuels and scarce raw materials, and preserving the stability of the world economy," Mr. Ingersoll said.

Assistant Secretary Ingersoll also testified during the month before a subcommittee of the Senate Foreign Relations Committee to present a detailed defense of U.S. participation in the Southeast Asia Treaty Organization. A Senate resolution has called for a review of the U.S. commitment to SEATO. Mr. Ingersoll said the State Department view "is that the Manila Pact and SEATO have not outlived their usefulness in the present era of transition. We believe that in a period that has seen the withdrawal of half a million U.S. troops from the Asian mainland and a significant reduction in the U.S. military presence elsewhere in East Asia it would create doubt and uncertainty were the U.S. to urge the dismantling of the Manila Pact and SEATO at this time.... (They) remain tangible indications of continuing U.S. concern in East Asia... In particular they provide Thailand, a core country in Southeast Asia, with an undergirth of multi-national support as it adjusts to an uncertain future... We prefer therefore to steer a careful course of gradually shifting the burdens and responsibilities of security to the countries of the area, and maintaining the treaty as part of the equilibrium in the transition process."

A joint U.S.-Soviet communique issued in Moscow March 28 following four days of talks between U.S. Secretary of State Henry Kissinger and Soviet leaders headed by General Party Secretary Leonid Brezhnev said "the course taken by the two countries toward a relaxation of tension and a major improvement of relations between them continues to be implemented successfully and brings tangible results.... the sides are determined to pursue... the established policy aimed at making the process of improved Soviet-American relationship irreversible..."

At a news conference in London en route back to the United States, Secretary Kissinger said "we believe progress was made..." He said the talks were extremely complex and it is too early to form "a definitive judgment" on whether they led to a breakthrough. "However," Dr. Kissinger said, "they represented an advance over what has gone before."

Seymour Weiss, Director of the State Department's Bureau of Political-Military Affairs, testified before a congressional subcommittee that United States activity in the Indian Ocean area is not a threat to any nation or group of nations. Mr. Weiss said the U.S. is not in an arms race with the Soviet Union in the Indian Ocean area and that U.S. requirements for a naval facility on the mid-ocean island of Diego Garcia, "are related to an entire spectrum of U.S. interests and considerations, only one of which bears on the level of Soviet deployment there." Mr. Weiss said the enormous increase of Soviet naval traffic in the Indian Ocean comprised a political threat and contributed to the instability of the area.

"The U.S.," Mr. Weiss said, "has played an active diplomatic role in the area since World War Two, exercising such varied tools of diplomacy as development assistance, military assistance, political mediation and United Nations initiatives, in an effort to discourage conflict and contain it when it occurs. Obviously," he said, one of the diplomatic levers available to us is the deterrent effect of a military presence."

Mr. Weiss said "while we sympathize with the principles which motivate some of the nations in the area to promote concepts such as the Indian Ocean peace zone, all major maritime powers, including the United States and the Soviet Union, have been doubtful about this initiative because of its implication that littoral states somehow have a special right to limit or control the use of the high seas."

The Senate during the month confirmed the nominations of John Gunther Dean to be Ambassador to the Khmer Republic and Leonard Unger to be Ambassador to the Republic of China. And President Nixon announced his intention to nominate former Secretary of Labor James H. Hodgson to be Ambassador to Japan.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	16 meter band	17790 kHz	0700-0900 local
	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	
	31 meter band	9545 kHz	
	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	19 meter band	15345 kHz	
		15210 kHz	
		15155 kHz	
	25 meter band	11715 kHz	
	31 meter band	9670 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/2/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Jury selection began Monday for the trial of Dwight Chapin, President Nixon's former Appointments Secretary, charged with lying to a Grand Jury about the "dirty political tricks" activities of Donald Segretti. Chapin, 33, has pleaded innocent to four counts of perjury.

Washington attorney John Wilson said he has been replaced by William S. Frates of Miami as defense counsel for former White House aide John Ehrlichman in the Watergate cover-up case. Ehrlichman decided to replace Wilson because of a potential conflict of interest with another former White House aide H.R. Haldeman, whom Wilson also represents in the same case. Frates is lawyer for Charles "Bebe" Rebozo, President Nixon's friend.

Senator Frank Church said it is foolish to think the oil companies can deal with the Arab nations and that the U.S. Government should take a direct role. Appearing on CBS Face the Nation Sunday, Church said the Government "has to try and do something" about Arab oil prices, which have risen 50 percent within the last year.

Senator Henry Jackson said major oil companies will register "obscence" profits in the current fiscal quarter due to a violation of federal law by the Nixon Administration. "Instead of a policy of price restraint, we have a policy of limiting energy demand by pricing it so high the average family must go without essentials to pay fuel bills that have doubled in the past six months," the Senator said. Jackson, Chairman of the Senate Interior Committee that will begin final action later Monday on a standby emergency energy bill, charged the Administration is violating the existing petroleum allocation act by "refusing to impose controls on all oil prices as required by law."

President Nixon has created a new Domestic Council Committee on Veterans Service to coordinate Federal efforts to "more fully meet the needs of the veterans." The Committee will be headed by Administrator of Veterans Affairs Donald Johnson.

In New York, the Government investigator who headed a securities fraud probe of fugitive financier Robert Vesco told the Mitchell-Stans jury he resisted efforts by his superiors to prevent disclosure of Vesco's 200,000 dollar contribution to President Nixon's re-election campaign. The witness, Stanley Sporkin, Director of the Enforcement Division of the Securities and Exchange Commission, testified as the conspiracy trial of former Attorney General John Mitchell and Former Commerce Secretary Maurice Stans started its seventh week.

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ELSEWHERE IN THE WORLD:

Israel and Syria clashed on the Golan Heights for the 21st straight day. A military spokesman in Tel Aviv said there were no Israeli casualties. He also said the Israeli army on the Syrian front has been placed on a higher state of alert and troops have been reinforced as a result of increased activity there.

East European communist leaders will meet in Warsaw in the latter half of April to discuss the future of the Warsaw Pact military alliance, according to East European sources. They are expected to prepare for a renewal of the 20-year-old alliance, which is due to expire next year.

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KISSINGER LETTER AND INDOCHINA POLICY 'COMMENT'

Washington, April 1 -- Following is the text of a letter dated March 25 from Secretary of State Henry Kissinger to Senator Edward Kennedy, along with State Department comment on points raised by the Senator in a letter to Dr. Kissinger. Senator Kennedy is chairman of the Subcommittee of Refugees of the Senate Judiciary Committee. The letter and comment were made public March 31.

KISSINGER LETTER

"In response to your letter of March 13 on various aspects of United States policy toward Indochina, I am enclosing our comment on the nine specific items you have outlined. I hope this information will be useful to you. As to the recommendations of the Subcommittee's study mission to Indochina last year, which were enclosed with your letter, I have asked Governor Holton (Linwood Holton, Assistant Secretary of State for Congressional Relations.) to review these and to prepare our comments for submission to you as soon as possible.

Your letter also expresses concern over a March 6 cable by Ambassador Martin commenting on a recent press article on the United States role in Viet-Nam. I do not believe the Ambassador is suggesting a cause-and-effect relationship between decisions in Hanoi and the views of any individual members of Congress or their staffs. What he is describing is a very real and sophisticated propaganda effort by North Viet-Nam to bring to bear on a wide spectrum of Americans its own special view of the situation in Indochina. The Ambassador believes, and in this he has our full confidence and support, that we must counter these distortions emanating from Hanoi and continue to provide the best answers to the concerned questions many Americans have about our Indochina policy."

COMMENT TEXT

1) "THE GENERAL CHARACTER AND OBJECTIVES OF AMERICAN POLICY TOWARDS INDOCHINA AS A WHOLE AND TOWARDS EACH GOVERNMENT OR POLITICAL AUTHORITY IN THE AREA;"

There are two basic themes in our policy toward Indochina. The first is our belief that a secure peace in Indochina is an important element in our efforts to achieve a worldwide structure of peace. Conversely, we believe that an evolution toward peace in other troubled areas helps bring about the stability for which we strive in Indochina. Consequently, our Indochina policy has been geared to bring about the conditions which will enable the contending parties to find a peaceful resolution of their differences.

A resolution of differences can, of course, be achieved by other than peaceful means. For example, North Viet-Nam might seek to conquer South Viet-Nam by force of arms. Such a resolution, however, would almost certainly be a temporary one and would not produce the long-term and stable peace which is essential. Therefore, a corollary to our search for peace, and the second theme of our policy, is to discourage the takeover of the various parts of Indochina by force. Forcible conquest is not only repugnant to American traditions but also has serious destabilizing effects which are not limited to the area under immediate threat.

We would stress the point that the United States has no desire to see any particular form of government or social system in the Indochina countries. What we do hope to see is a free choice by the people of Indochina as to the governments and systems under which they will live. To that end we have devoted immense human and material resources to assist them in protecting this right of choice.

Our objective with regard to the government of Vietnam, the government of the Khmer Republic and the Royal Lao Government is to provide them with the material assistance and political encouragement which they need in determining their own futures and in helping to create conditions which will permit free decisions. In Laos, happily, real progress has been made, partly because of our assistance. The Vientiane Agreement and Protocol give clear evidence of the possibility for the peaceful settlement our policies are designed to foster. We have supported the Royal Lao Government and, when it is formed, we will look with great sympathy on the Government of National Union. We welcome a peaceful and neutral Laos and, where appropriate, we will continue to encourage the parties to work out their remaining problems.

In Cambodia we are convinced that long term prospects for stability would be enhanced by a ceasefire and a negotiated settlement among the Khmer elements to the conflict. Because such stability is in our interests we are providing diplomatic and material support to the legitimate government of the Khmer Republic, both in its self-defense efforts and in its search for a political solution to the war.

Our objective in Viet-Nam continues to be to help strengthen the conditions which made possible the Paris Agreement on Ending the War and Restoring Peace in Viet-Nam. With this in mind we have supported the Republic of Vietnam with both military and economic assistance. We believe that by providing the Vietnamese government the necessary means to defend itself and to develop a viable economy, the government in Hanoi will conclude that political solutions are much preferable to renewed use of major military force. The presence of large numbers of North Vietnamese troops in the South demonstrates that the military threat from Hanoi is still very much in evidence. Because of that threat we must still ensure that the Republic of Viet-Nam has the means to protect its independence. We note, however, that the level of violence is markedly less than it was prior to the cease fire and believe that our policy of support for South Viet-Nam has been instrumental in deterring major North Vietnamese offensives.

Our objective with regard to the Democratic Republic of Viet-Nam, and its southern arm, the Provisional Revolutionary Government, is to encourage full compliance with the Paris Agreement. We have been disappointed by North Vietnam's serious violations of important provisions of the Agreement. However, we still believe that the Agreement provides a workable framework for a peaceful and lasting settlement, and we will continue to use all means available to us to support the cease fire and to encourage closer observance of it. Our future relations with Hanoi obviously depend in large part on how faithfully North Viet-Nam complies with the Agreement.

2) "THE GENERAL CONTENT AND NATURE OF EXISTING OBLIGATIONS AND COMMITMENTS TO THE GOVERNMENTS IN SAIGON, PHNOM PENH AND VIENTIANE;"

The U.S. has no bilateral written commitment to the Government of the Republic of Viet-Nam. However, as a signator of the Paris Agreement on Ending the War and Restoring Peace in Viet-Nam, the United States committed itself to strengthening the conditions which made the cease-fire possible and to the goal of the South Vietnamese people's right to self-determination. With these commitments in mind, we continue to provide to the Republic of Viet-Nam the means necessary for its self-defense and for its economic viability.

We also recognize that we have derived a certain obligation from our long and deep involvement in Viet-Nam. Perceiving our own interest in a stable Viet-Nam free to make its own political choices, we have encouraged the Vietnamese people in their struggle for independence. We have invested great human and material resources to support them in protecting their own as well as broader interests. We have thus committed ourselves very substantially, both politically and morally. While the South Vietnamese government and people are demonstrating increasing self-reliance, we believe it is important that we continue our support as long as it is needed.

Our relations with the Government of the Khmer Republic also do not stem from a formal commitment but are based on our own national interests. Recognizing that events in Cambodia relate directly to the bitter hostilities in other parts of Indochina, we have sought to help create stability in that country as a part of our effort to encourage the development of peace in the entire region. We, therefore, support the legitimate government of Cambodia, in the hope that its increasing strength will encourage the Khmer communists toward a political settlement rather than continued conflict.

We have also undertaken our assistance to Laos and support for the Royal Lao Government because of our own broad national interests, not because of any formal commitment to that country. The most important and visible of our interests is our desire for a just settlement of the tragic war in Indochina. Laos plays a key role in this effort to achieve the peace. Indeed, Laos is the bright spot in Indochina where the fruits of our efforts to assist and support the Royal Lao Government are most clearly seen. A cease-fire based on an agreement worked out by the two Lao parties has endured for more than a year. The two parties have together organized joint security forces in the two capital cities of Vientiane and Luang Prabang and a coalition government may not be far away. We feel that these large steps toward a lasting peace in Laos would probably not have succeeded but for our steady support for the efforts of the Royal Lao Government.

3) "THE KINDS, CATEGORIES AND LEVELS OF SUPPORT AND ASSISTANCE GIVEN OR PROJECTED TO THE GOVERNMENTS IN SAIGON, PHNOM PENH AND VIENTIANE FOR FISCAL YEAR 1973 THROUGH 1975 - INCLUDING (A)

A breakdown of the number, distribution, activities and agency/departmental association of official American personnel, as well as those associated with private business and other organizations under contract to the United States Government; AND (B) A breakdown from all sources of humanitarian assistance, police and public safety oriented assistance, general supporting and economic development assistance, and military assistance;"

(A) U.S. ECONOMIC ASSISTANCE

Our annual congressional presentation books provide the data requested here in considerable detail. These congressional presentation books for FY 1975 will shortly be delivered to the Congress. We provide these first, as a matter of courses, to the authorizing and appropriations committees of the Senate and the House and then routinely make them available to all members as well as the interested public. We will be happy to provide your Subcommittee on Refugees with copies as soon as available.

The congressional presentation books focus, of course, on our proposals for the coming year, FY 1975, but also contain data on both the current fiscal year, FY 1974, and the preceding, FY 1973. This year, as last, we are preparing a separate book providing the details of our economic assistance programs for the Indochina countries.

These congressional presentation books form a partial basis, of course, for extensive hearings held each year by the authorizing committees in the Senate and House and then by the appropriations committees. We would expect the question you pose, as well as many others, to be further explored in considerable depth during the course of these hearings.

(B) U.S. MILITARY ASSISTANCE

Our military assistance to South Viet-Nam and Laos is provided under MASF. The breakdown of this assistance for the period you requested is as follows:

YEAR	CEILING	NEW OBLIGATIONAL AUTHORITY
FY 1973	2,735 billion dollars	2,563 billion dollars
FY 1974	1,126 billion dollars	907.5 million dollars
FY 1975	1,6 billion (requested)	1,450 billion dollars (A)

The level of official U.S. military/civilian personnel in South Viet-Nam during the same period is as follows:

YEAR	MILITARY	CIVILIAN
January, 1973	23,516 (assigned)	730
January, 1974	221 (authorized)	1200
June, 1974	221 (authorized)	936

The number of U.S. civilian contractors has declined from 5,737 in January, 1973, to 2,736 in January 1974, This number is expected to decrease further to 2,130 by June, 1974. We do not yet have a projected level of U.S. civilian contractors for FY 1975.

Our military assistance to Cambodia is furnished under MAP. This assistance totalled 148.6 million dollars in FY 1973 and 325 million dollars in FY 1974.. The level of our military assistance for FY 1975 is now under review. The amount to be proposed will be included in the congressional presentation documents on military assistance which we expect to submit to Congress shortly.

U.S. military and civilian personnel in Cambodia during the period you requested is as follows:

YEAR	MILITARY	CIVILIAN
December, 1972	112	53
December, 1973	113	55
December, 1974	113	DNA (X)

U.S. military and civilian personnel in Laos during the period you requested is as follows:

YEAR	MILITARY	CIVILIAN
December, 1972	185	457
December, 1973	180	424
December, 1974	30	DNA (X) (XX)

(A) Viet-Nam only; Laos will be included under MAP for FY-75
X Date not available
XX Based on the assumption that a coalition government will be formed in Laos before the end of this year.

4) "THE CURRENT STATUS AND PROBLEMS OF REPORTED EFFORTS TO ESTABLISH AN INTERNATIONAL CONSORTIUM FOR GENERAL RECONSTRUCTION ASSISTANCE TO THE AREA."

In April 1973, President Thieu asked the International Bank for Reconstruction and Development (IBRD) to help form an aid group for the Republic of Viet-Nam. The IBRD agreed to make the effort, providing that this would be acceptable to the Bank membership and that the group could be organized in association with both the IBRD and the Asian Development Bank. In May the World Bank sent a study mission to Vietnam to review the situation. In August, Japan suggested that the Bank arrange a preliminary meeting to exchange views on aid to the countries of Indochina. The Japanese also proposed that the member countries discuss the formation of a loose Indochina consultative group for the area wide coordination, with sub-groups for any of the four countries concerned which might request such a group and where conditions were satisfactory.

An initial meeting was held at the Bank's Paris office in October. The United States supported the Bank's efforts as well as the Japanese proposal. The Bank sent a second mission to Viet-Nam in November and subsequently proposed that a follow-on meeting be held in February of this year to discuss the formation of the Indochina consultative group. However, the reactions of participating countries to the energy crisis and to the congressional decision on IDA replenishment led the Bank to postpone the meeting, tentatively until late spring. In February, at the request of the Lao government, a World Bank team also visited Laos to assess the situation and to discuss a possible consultative group for that country.

The United States continues to support efforts to form an Indochina consultative group. We also favor the proposal that there be sub-groups for each recipient country to which donors may contribute as they wish. The sub-groups would be formed when considered appropriate by donors and at the request of the recipient. We remain in close consultation with the World Bank and other interested parties on this matter. We are hopeful that a second meeting of participants might be held in the near future and that such a meeting might lead to the establishment of the groups in question. A reversal of the negative congressional action on IDA replenishment would clearly enhance the possibility of success in this regard.

5) "THE CURRENT STATUS AND PROBLEMS OF THE ADMINISTRATION'S STATED INTENTION TO ENCOURAGE INTERNATIONALIZING HUMANITARIAN ASSISTANCE TO THE AREA;"

In addition to U.S. bilateral humanitarian assistance to the Indochina countries which totals 111.4 million dollars for FY 1974, the Department and the Agency for International Development (AID) continue to encourage other donors, including international organizations, to provide such assistance. AID made a grant of two million dollars on November 1, 1973, to the Indochina Operations Group of the International Committee of the Red Cross and discussions are continuing about an additional grant to that organization. UNICEF has recently completed its study of the problems in the Indochina countries and has just submitted its proposed program to possible donor countries. We have encouraged UNICEF in its study and are pleased that it is now prepared to expand its activities in all three countries.

The World Health Organization has had meaningful programs in Laos, Cambodian, and Viet-Nam which supplement and do not overlap with activities supported by the United States. We have encouraged that organization to play an even more important role, particularly in the malaria control program, and we at the same time would phase out of our activities in that field.

Our discussions with the Indochina countries have stressed the desirability of establishing plans and priorities for programs and projects which require assistance so that other donor countries and organizations can fit their assistance efforts into the host country requirements.

6) "THE CURRENT STATUS OF NEGOTIATIONS BETWEEN WASHINGTON AND HANOI ON AMERICAN RECONSTRUCTION ASSISTANCE TO NORTH VIET-NAM."

Following the conclusion of the peace agreement last year, preliminary discussions of post-war reconstruction were held in Paris between U.S. and North Vietnamese members of the Joint Economic Commission. These talks have been suspended since last July. The Administration's position, which we believe is shared by the great majority of members of Congress, is that the U.S. cannot at this time move forward with an assistance program for North Viet-Nam. To date, North Viet-Nam has failed substantially to live up to a number of the essential terms of the Agreement, including those relating to the introduction of troops and war materiel into South Viet-Nam, the cessation of the military activities in Cambodia and Laos, and the accounting for our missing-in-action. Should Hanoi turn away from a military solution and demonstrate a serious compliance with the agreement, then we would be prepared, with the approval of Congress, to proceed with our undertaking regarding reconstruction assistance to North Vietnam.

7) "THE DEPARTMENT'S ASSESSMENT ON THE IMPLEMENTATION ON THE
CEASEFIRE AGREEMENTS FOR BOTH VIET-NAM AND LAOS;"

The cease-fire in Viet-Nam has resulted in a substantial decrease in the level of hostilities; for example, military casualties since the cease-fire have been about one-third the level of casualties suffered in the year preceding the Paris Agreement. Nonetheless, it is unfortunately evident that significant violence continues to occur and that the cease-fire is far from scrupulously observed. The fundamental problem is that the North Vietnamese are still determined to seize political power in the South, using military means if necessary. To this end they have maintained unrelenting military pressure against the South Vietnamese government and have continued widespread terrorism against the population. In particularly flagrant violation of the Agreement North Vietnam has persisted in its infiltration of men and materiel into the South, bringing in more than one hundred thousand troops and large quantities of heavy equipment since the cease-fire began. South Vietnamese forces have reacted against these attacks by North Vietnamese forces for several sizable engagements have taken place.

Despite these serious violations, we continue to believe that the Paris Agreement has already brought substantial benefits and continues to provide a workable framework for peace. After more than a quarter century of fighting it would have been unrealistic to expect that the agreement would bring an instant and complete end to the conflict. What it has done, however, is to reduce the level of violence significantly and provide mechanisms for discussion. The two Vietnamese parties are talking to each other and are achieving some results, even if these results are much less than we would like to see. The final exchange of prisoners which was completed on March 7 is illustrative.

We assess the cease-fire agreement in Laos as being so far largely successful. The level of combat was reduced substantially immediately following the ceasefire and has since fallen to a handful of incidents per week. There is hope that if developments continue as they have, the Laos cease-fire will work and the Lao through their own efforts, will be able to establish a coalition government and a stable peace in their country.

8) "THE DEPARTMENT'S ASSESSMENT OF THE OVERALL SITUATION IN
CAMBODIA AND THE POSSIBILITY FOR A CEASEFIRE AGREEMENT."

Despite continued pressure by the Khmer insurgents, now generally under the control of the Khmer Communist Party, the Khmer armed forces have successfully repulsed two major insurgents operations, one against Kompong Cham and, more recently, against Phnom Penh, with no U.S. combat support. Serious military problems remain, and continued hard fighting during the next few months is expected, both in the provinces and around the capital.

A broadened political base, a new prime minister and a more effective cabinet offer signs of improvements in the civil administration. The enormous dislocation of the war, destroying production, producing over a million refugees and encouraging spiralling inflation, face the leaders of the Khmer Republic with serious problems.

Nonetheless, we are convinced that with U.S. material and diplomatic support the Khmer Republic's demonstration of military and economic viability will persuade their now intransigent opponents to move to a political solution of the Cambodian conflict. The Khmer Republic's Foreign Minister on March 21 reiterated his government's position that a solution for Cambodia should be peaceful and not forced by arms or capitulation. Instead, his government will continue to seek talks with the other side. His government hopes their efforts for peace will achieve some results after the current insurgent offensive.

9) "RECENT DIPLOMATIC INITIATIVES, INVOLVING THE UNITED STATES, AIMED AT A REDUCTION OF VIOLENCE IN INDOCHINA AND A GREATER MEASURE OF NORMALIZATION IN THE AREA."

Since the signing of the Viet-Nam cease-fire agreement, the United States has been in constant liaison with the interested parties, including those outside of the Indochina area. While it would not be useful to provide details of all of these contacts, we can assure the Congress that we have used every means at our disposal to encourage a reduction in the level of violence and an orderly resolution of the conflict. We believe these measures have had some success. The level of fighting is down substantially from 1972 and the Vietnamese parties have taken at least beginning steps toward a satisfactory accommodation. Further, the interested outside parties remain basically committed to building on the framework of the cease-fire agreement.

When Hanoi established a pattern of serious violations of the Agreement shortly after its conclusion, Dr. Kissinger met with Special Adviser Le Duc Tho and negotiated the Paris Communique of June 13, 1973, with a view to stabilizing the situation. Secretary Kissinger returned to Paris in December, 1973, to again discuss with Special Adviser Tho the status of the implementation of the Agreement. We will continue to maintain such contacts with Vietnamese and other parties in the hope that Hanoi will eventually be persuaded that its interests lie in peaceful development rather than in conflict.

In Laos we have offered every encouragement to an evolution toward peace. At this time the Laotian parties are making great progress in the formation of a Government of National Union. We can help in this regard with our sympathy and encouragement while properly leaving the issue in the hands of those most interested, the Lao people.

The Government of the Khmer Republic, with our complete endorsement, has made notable efforts to terminate the hostilities in that country. Following the cease-fire in Vietnam, the Cambodian government unilaterally ceased hostile activity by its forces in the hope that the other side would respond. Unfortunately that striking gesture was rebuffed. On frequent occasions thereafter the Khmer Republic made proposals designed to move the conflict from the battlefield to political fora, with our strong support in each instance. Although all of those proposals have been ignored by the Khmer communists, we continue to hope that the current relative military balance will make apparent to the other side what the Khmer Republic has already perceived, that peace is a far more hopeful prospect for Cambodia than incessant conflict.



ຂ່າວສ່ວນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/3/74

NEWS ROUNDUP

Senator Charles Percy called for reorganization of the way in which Congress deals with foreign affairs and foreign aid legislation. In an amendment to the State Department Authorization Bill, Percy would require the restructuring of Administration requests in the international relations field into three bills, one each for foreign affairs, foreign economic aid and foreign military aid. At present, there are more than ten bills each year dealing with these three areas of international relations.

The controversial oil depletion allowance would be eliminated in three stages under a House Ways and Means Committee vote, thereby channeling an estimated two to three billion dollars annually into the U.S. Treasury. The Committee recommended that the existing 22 percent allowance be reduced to 15 percent on January 1, 1975, to eight percent on January 1, 1976, and eliminated completely on January 1, 1977.

ELSEWHERE IN THE WORLD:

President Georges Pompidou died Tuesday night in Paris the French Government announced. He was 62 years old. The cause of death was not immediately disclosed.

Syria said it threw tanks into the Golan Heights fighting Wednesday, the 22nd straight day of clashes in the area. Israeli forces, meanwhile, moved up to guard against any surprise attack this weekend on Passover.

In Luxembourg, France blocked attempts by European Common Market foreign ministers to consult regularly with the United States on their approaches to the Arab world and other international issues. French Foreign Minister Michel Jobert firmly stopped any move that hinted at giving Washington a voice in Common Market decisions.

In Bonn, West German Chancellor Willy Brandt announced a purge of left-wing radicals in his ruling Social Democratic Party. He told a press conference that the party must steer a course acceptable to the middle of-the-road voter who helped return the party to power in general elections two years ago.

In Phnom Penh, Prime Minister Long Boret announced establishment of a new Executive Council consisting of himself, Major General Sosthene Fernandez and Lieut. General Sirik Matak, who will occupy the newly-created position of High Assistant to the President. New council will have no legislative powers, unlike the High Political Council which was abolished on Sunday.

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Indonesia has announced the second increase in three months in the price of its crude oil from \$10.80 to \$11.70 per barrel, effective April 1.

Prices on the New York Stock Exchange made a feeble attempt to rally but closed on a mixed note. There was 797 issues declining and 581 that advanced.

New York Stock Exchange closing indexes:

	HIGH	LOW	CLOSE	CHG
ALL STOCKS	49.94	49.74	49.81	UP 0.01
INDUST	54.45	54.30	54.40	UP 0.06
TRANSP	36.42	6.18	6.28	UP 0.11
UTILITY	3.58	3.53	3.53	OFF 0.14
FINANCE	60.38	60.19	60.19	OFF 0.25

VOLUME: 12,010,000 SHARES.

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AID TO DEVELOPING NATIONS MUST BE SUSTAINED, SHULTZ SAYS

Santiago, April 2 -- In remarks prepared for presentation at the annual meeting of the Inter-American Development Bank in Santiago, Chile, April 2, US. Secretary of the Treasury Shultz made the following points:

-- "It is essential that traditional levels of development project assistance be continued by industrialized nations," and that oil producers with excess revenues join in providing aid, particularly to the poorest of the developing nations.

- The bill authorizing a further U.S. contribution of the International Development Association (IDA) -- defeated in the U.S. House of Representatives earlier this year -- "is now under review in the Senate and we are hopeful for early passage in that body." But support for such programs as the IDA replenishment and contributions to the Inter-American Development Bank (IDB) depends upon a continuing record of performance in the multilateral aid institutions "and our ability to demonstrate the performance in down to-earth, understandable terms."

-- As the United States makes a concentrated effort to develop new sources of energy, "break-throughs toward more abundant energy at lower cost are probable. If so, these methods and their potential for lower cost will be made available, perhaps through the IDB, to the poorer countries especially."

- Pressures to restrict U.S. exports of scarce items has been resisted, "and we mean to keep our export markets open. But for the long run this commitment can be economically and politically defensible only in the context of reciprocal responsibilities. Cool and dispassionate international examination of this problem seem to me urgent."

- U.S. efforts to expand food production "seem to be paying off, with results now apparent in markets for raw agricultural products."

-- "Inflation is a matter of major concern to us (the United States) and we will not be timid in attacking it."

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CASEY ON PROPOSED EXIMBANK PROJECTS IN SOVIET UNION

Washington, April 2 -- Following are excerpts from a statement by William J. Casey, President and Chairman of the Export-Import Bank of the United States, before the Senate Subcommittee on International Finance, Committee on Banking, Housing and Urban Affairs, on April 2:

"Let me tell you something about the loans to supply American goods for projects in the Soviet Union which have been applied for or discussed but not yet authorized. First, there is the fertilizer complex which would call for an Eximbank loan of 180 million dollars which represents only 45 percent of the contract price of 400 million dollars of U.S. equipment to be purchased. The remaining 220 million dollars will come from the Soviet Union and private banks. That project is potentially a very good deal for the United States. We would not only sell plant and equipment for ammonia production to the Soviets, but the U.S. company would also sell to them superphosphoric acid which is made from phosphate rock, where we are in long supply, and obtain ammonia, urea and potash fertilizer where we are in short supply. The ammonia would be made from Soviet natural gas, and thereby conserving our own natural gas for other purposes. Thus, this transaction would not only increase our exports but it would also ease our domestic shortages.

Then there is the proposal for Eximbank to provide part of the financing for the sale of 110 million dollars in drilling equipment and other items required for a joint gas exploration project near Yakutsk in Siberia with Japan and the Soviet Union. The bank has not made any commitment in this case. We will have to evaluate possible adverse effects on the domestic economy in terms of whether at this time it is better to use drilling and other such equipment for exploration in the United States rather than in Siberia. I understand that in discussions on this project it has been proposed that items which are in short supply in the United States would be procured from Japan. We are still studying this and other aspects of this case.

Then, also, there has been considerable public discussion of the actual development of two very large projects involving the transmission of natural gas from Siberia, in the one so-called Yakutsk Case eastward to a Pacific port, and in another case called the North Star Project westward to an Arctic port. After liquefaction, the gas would be transported on LNG vessels to supply consumers in the Southwestern and Northeastern United States.

The Export Import Bank has not received applications to finance export sales for the development stage of either of these projects. There has been some informal discussion and we understand that the projects have not yet crystallized, the capital requirements have not been determined, the price of the gas has not been set, and the necessary approval has not been solicited from the Federal Power Commission. In the case of Yakutsk mentioned previously, sufficient reserves have not yet been proven. In short, at this point, there is nothing for the Export Import Bank to act on with respect to financing for the development of these projects. Looking to the future, if these projects do materialize and result in applications to Eximbank, it is our understanding that each of them would require export financing in the order of 3,000 to 3,500 million dollars which would have to be included within the annual limit on the bank's authority to commit loans which the Congress sets each year in the Foreign Assistance and Related Programs Appropriation Act.

MANSFIELD PROPOSED MFN STATUS FOR PRC

Washington, April 2 -- Following is a statement by Senator Mike Mansfield (D-Montana) proposing that "Most Favored Nation" status be granted the People's Republic of China:

"One of the outstanding achievements, perhaps the most outstanding achievement, in the promulgation of foreign policy during the Administration of President Nixon has been the opening-up and the normalization of relations with the People's Republic of China. Because of this very worthwhile initiative on the part of President Nixon, we find a continuing exchange of groups between the People's Republic and the United States - an exchange which I hope will expand in the years and decades ahead.

At the time of President Nixon's visit to Peking, the trade between our two countries was zero. The Chinese-American trade has increased from nothing two years ago to 750 million dollars in 1973 and could exceed 1,000 million dollars this year. American exports to the PRC have exceeded imports to this country approximately ten to one and have played a very important part by contributing more than one-third of the total favorable American trade balance last year.

Some of the items bought by China are ten Boeing 707's, contracts for eight U.S. fertilizer plants, mining and gear-cutting machinery, oil field equipment and electronic instruments. Until last year, the Chinese paid cash on the barrel-head for their purchases. Now it is my understanding they are financing their purchases over five-year periods, some a little longer, but all on a good credit basis.

It is time, I believe, to grant Most-Favored Nation treatment to the People's Republic of China and to do so on a single country basis. In a speech delivered at the Johns Hopkins University School of Advanced International Study on March 15, 1973, I had the following to say about this proposal:

"It has been estimated that about 50 percent of China's exports to the United States are affected by lack of most-favored nation treatment. The present gross trade imbalance with China cannot continue indefinitely. Either Chinese purchases here will drop or more will have to be bought from China or new multi-angular patterns of trade will have to be encouraged in the Western Pacific.

It would be my hope that Congress will provide authority to negotiate a most-favored-nation arrangement with China... Such an arrangement could be consummated, notwithstanding the absence of formal diplomatic relations."

It is interesting to note that the PRC is not only self-sufficient in oil but has for some time been exporting small quantities of that commodity. It is well to keep in mind that the great oil fields of the future may be off-shore in the area extending from the Yellow Sea down the entire China coast to Indochina, including islands such as the Senkaku, which are in dispute at the present time between Taiwan, Japan and the PRC, Spratly island and the Paracels, all of which the People's Republic of China has laid claim to and to all of which, based on historical precedent, they have excellent claims. There is no question in my mind but that the Chinese intend to develop these resources and, on the basis of what geological information there is available, it appears that the PRC could become a great oil exporting power.

It would be good policy and good sense for this country to follow up President Nixon's initiative in opening-up and normalizing our relations with China by going one step further, by bringing into existence a Most-Favored-Nation Treaty between our two countries. I advocate such a move. I will support such a move and, in doing so, I think it will establish a policy which will rebound to the benefit of both nations.

It is my intention to propose legislation, in the next several days, that will provide Most-Favored-Nation treatment for trade with the People's Republic of China.

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WHITE HOUSE BRIEFING APRIL 2

DENT -- The President met the Commerce Secretary Dent prior to the latter's departure for the Soviet Union, Bulgaria and Romania. The Secretary will open an industrial trade show in Moscow April 9 and will participate later in the first meeting of the Joint Romania U.S. Trade Commission. He stops in London en route home.

LEADERS - The President spent almost two hours with Republican congressional leaders on legislative matters, including a discussion of 26 key bills in six areas -- trade reform, housing, transportation, education, health and energy. There was no discussion of Watergate, impeachment or whether the President should campaign for former White House aide James Sparling in his race for Congress in the 8th District of Michigan.

NOMINATIONS -- The President will nominate John E. Murphy to be Deputy Administrator of the Agency for International Development, replacing Maruice Williams, and Richard Feltner to be an Assistant Secretary of Agriculture, replacing Carroll Brunthaver.

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STATE DEPARTMENT BRIEFING APRIL 2

MIDDLE EAST -- The U.S. Government, Spokesman King said, is keeping a close watch on the situation at the Golan Heights. He made the following brief prepared comment when asked for U.S. reaction to news reports that Syria has intensified preparations for fighting along the front with Israel:

"I can assure you that all of us are watching the situation very carefully and obviously are aware of the implications for our peace efforts in the Middle East."

MEXICO - King emphasized that the State Department still believes U.S. consular official John Patterson, who disappeared in Mexico last month, was kidnapped. Asked if there was any doubt that he was abducted, King said: "Those I have consulted assure me that all the evidence points to kidnapping."

King noted that Mr. Patterson's kidnapping "has been marked by an unusual lack of information. Since Mr. Patterson's disappearance and the discovery in the Consul General's office (at Hermosillo) of a ransom note the same day (March 22), there has been no further communication from either Mr. Patterson or the person or persons holding him."

He said the ransom note contains instructions for Mrs. Patterson to deliver the ransom money. "Mrs. Patterson followed through on those instructions precisely. But no contact was made," King said.

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ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/4/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Federal Energy chief William Simon said emergency energy legislation is no longer needed and called on Congress to concentrate instead on helping the nation become self-sufficient in energy. Simon appeared before the House Interstate and Foreign Commerce Committee.

ELSEWHERE IN THE WORLD:

Alain Poher, President of the French Senate, was officially appointed Interim President of France. The move is a formality required by the Constitution, which lays down that the 64-year old Senate President will remain as President until new elections are held. The elections are due to take place between April 22 and May 7. Meanwhile, an official communique announced that President George Pompidou, who died Tuesday, was to be buried Thursday in a strictly private family ceremony at Orvilliers near Paris.

Officials from 12 major oil consuming nations met in Brussels to discuss ways in which governments can improve their surveillance of international oil companies. The officials were from the United States, Canada, Japan, Norway and all the European Common Market countries, except France -- comprising the energy coordinating group set up by the 12 nations in Washington in February. The two-day meeting is a preliminary to a conference in June of oil producing and consuming nations.

In Jerusalem, Israeli Defense Minister Moshe Dayan accused the Soviet Union of taking part in the planning of the October Middle East war. Speaking in the Knesset (parliament), he said he had no doubt the Soviet Union had prior information about the conflict and had taken part in planning it. Dayan also told parliament that Egypt has promised to remove all the illegal artillery placed in its zone east of the Suez Canal. Meanwhile, artillery exchanges continued between the Israeli and Syrian forces on the Golan Heights.

The Soviet Union announced that Foreign Minister Andrei Gromyko would head its delegation to a special session of the United Nations General Assembly in New York starting April 9. During his stay in the United States, Gromyko is expected to have talks with Secretary of State Kissinger.

The White House announced the Internal Revenue Service has ruled that President Nixon owes additional taxes for the year 1969 thru 1972. The announcement said he will pay some 432,000 dollars, plus interest.

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The White House announcement came after a staff report to the Joint Congressional Committee recommended that the President pay 476,431 dollars in back taxes. The report was released by the Joint Committee on Internal Revenue without comment.

Following is the text of the White House announcement:

We have learned of the decision by the Joint Committee on Internal Revenue Taxation to release a staff analysis of the President's taxes before the Committee itself has had opportunity to evaluate the staff views, and before the President's tax counsel could advise the committee of their views on the many legal matters in dispute in that report.

Yesterday the President received a statement from the Internal Revenue Service indicating its view, also, that he should pay an additional tax.

The President's tax counsel have advised him that the positions they have sought to present to the Committee, as outlined in their brief, are valid and compelling. His intent to give the papers was clear. Their delivery was accomplished in March of 1969, four months before the July deadline. His intent as to the amount of the gift was stated to his counsel. Because of these facts the President's tax counsel strongly affirm that these various issues could be sharply and properly contested in court proceedings such as are open to an ordinary taxpayer to review the decisions of the Internal Revenue Service.

The President believes that his tax counsel can make a very strong case against the major conclusions set forth in the Committee's staff report. However, at the time the President voluntarily requested the Committee to conduct its examination of his tax returns, he stated that he would abide by the Committee's judgment. In view of the fact that the staff report indicates that the proper amount to be paid must be determined by the Internal Revenue Service, he has today instructed payment of the 432,787 thousand dollars and 13 cents set forth by the Internal Revenue Service, plus interest.

It should be noted that the report by the Internal Revenue Service rebuts any suggestion of fraud on the part of the President. The Committee's staff report offers no facts which would support any such charge.

Any errors which may have been made in the preparation of the President's returns were made by those to whom he delegated the responsibility for preparing his returns and were made without his knowledge and without his approval."

Dow Jones closing averages:

	OPEN	CLOSE	CHANGE
30 INDUS	348.95	858.03	UP 11.42
20 TRANSP	184.93	186.55	UP 2.28
15 UTILS	89.76	89.95	UP 0.10
65 STOCKS	286.11	270.50	UP .03
VOLUME 11,500,000 SHARES.			

TWO KEY U.S. OFFICIALS TESTIFY ON ASIAN SECURITY NEEDS

Washington, April 3 -- Two key U.S. officials -- Assistant Secretary of State Robert Ingersoll and Deputy Assistant Secretary of Defense Dennis J. Doolin, both concerned with East Asian affairs, have testified before a House Foreign Affairs Subcommittee on the need for the United States to continue to maintain security forces in the Asian area.

In a prepared statement before the House Subcommittee on Asian and Pacific Affairs on April 3, Mr. Ingersoll said that the United States has learned that discord and tension in Asia affects the interests of America and that the structure of alliances the United States has maintained with Asia over the last quarter of a century has helped promote peace and stability. Mr. Doolin, in his statement, outlined the reduction of U.S. forces in Asia in recent months but cautioned there is a "minimum force level below which it would be unwise to go."

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SHULTZ REMARKS IN SANTIAGO

Santiago, April 3 - In addition to the formal U.S. statement at the Inter-American Bank annual meeting in Santiago April 2, U.S. Secretary of the Treasury George Shultz made an extemporaneous statement to his fellow Governors of the Bank. Following are highlights from those remarks:

-- When the increase in oil prices brought major international financial problems, "the world escaped by the skin of its teeth from being bound by a very inflexible type of exchange rate system." The more flexible exchange rate system that exists now "was a means by which we could accommodate the major shifts that were taking place without a crisis in our international monetary arrangements.I don't believe myself that this lessens at all the need to carry through...a successful conclusion to the Committee of 20 negotiations (on international monetary reform), but I do think that the flexible system served us well in this crisis...."

- While he still cannot personally support the idea of a direct link between development assistance and the distribution of the SDRS (Special Drawing Rights created by the International Monetary fund as a reserve asset to be used in financial transactions among governments), an alternative suggestion made during the Santiago meeting was "very interesting."

- Although no investment disputes remain outstanding in the Western Hemisphere, a statement from the Peruvian delegation indicate that the differences of opinion on this subject are far from over. "If we cannot feel secure from expropriation -- and certainly from expropriation without just compensation - you will not have a flow of capital, public or private, and I just think that's just common sense -- it is not really even economics."

-- "We always must keep in front of ourselves as finance ministers that the numbers are not the reality. The reality is the human needs, the human aspirations, the human problems, human opportunities, that the numbers in a sense represent, and that is what we must deal with."

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TOBOR SAYS TWO-WAY TRADE WITH E. ASIA NATIONS TO RISE

Washington, April 3 -- Under Secretary of Commerce John K. Tabor, back from a four-country visit in East Asia, says he thinks they will succeed in expanding their exports to the United States and also will accept more American products this year.

"As a result of my talks I believe that U.S. exports to these areas can be substantially increased in 1974," he said at a news conference.

He conferred with government and business leaders in Japan, Hong Kong, the Republic of China and South Korea on the two-week tour in March.

Although the United States probably will buy more and sell more, Mr. Tabor said there were "reasonable prospects of some narrowing of the trade gap in some countries." In 1973 the four nations exported 13,832 million dollars' worth of finished goods and raw materials to the United States and bought 11,461 million dollars' worth of American products.

The second-ranking officer in the Commerce Department said Japan will be pressing hard to expand its own exports because of the high cost of imported energy.

"At the same time," he said, "the Japanese that I spoke with recognize that in their long-term interest they must be more receptive to the import of American goods."

He added that both government officials and businessmen in Japan said they "wished to avoid the distortions of 1971 and 1972 in trade with the U.S."

In Hong Kong, "an incredible, bustling marketplace and manufacturing center," the rising standard of living and the devalued American dollar offer opportunity for the export of consumer goods from the United States, Mr. Tabor said.

"The "remarkable growth" of the Republic of China's economy gives promise of larger sales of American capital goods and technological equipment, as well as consumer goods, and agricultural products, the Commerce Department official said. "Government officials with whom I met indicated a willingness to reduce tariffs on selected items," he added.

South Korea "has an energetic, bold and well-focused growth pattern for its economy" which offers an opportunity for sale of American heavy capital equipment, Mr. Tabor said. That government also "has indicated receptivity to removal of import restrictions wherever possible, when sought."

Although he declined to estimate the actual rise in American exports to the four countries, he predicted that they would climb both in volume and dollar value.

Commenting that exports from the four nations will probably grow this year, he said "but I believe that to a greater degree we will feel the impact of their exports to other countries - it will be part of a broad export push around the world."

The Under Secretary pointed out that he had not traveled to East Asia "to put out fires but to review the entire trading situation." In Taipei, in an address to the Asian Pacific Council of American Chambers of Commerce he said the need to maintain his country's export position was "the prime reason why we intend to treat very lightly in the area of export controls."

"With regard to exports as well as imports," he said, "it is the (Nixon) Administration's purpose to keep the U.S. economy and the world economy as free as possible."

In Taipei and Seoul, Mr. Tabor noted, the openings of the fourteenth and fifteenth U.S. Overseas Trade Centers were "well received and well attended."

A major exhibit of the products of American manufacturers that opened in Taipei attracted 73,000 persons. Resulting sales thus far amount to 9.4 million dollars and indications are that orders over the next 12 months will amount to 30,505,000 dollars, the U.S. official said.

Answering a reporter's question, Mr. Tabor said he was not planning a trip to the People's Republic of China and he knew of no plans on the part of Commerce Secretary Dent for such a visit.

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	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/8/74

NEWS ROUNDUP

VOA:

Fighting continues around the besieged Cambodian coastal city of Kom Pot; dispatches say government troops are holding firm in the face of heavy communist ground assaults.

In South Vietnam the Saigon command says troops beat back a communist attack on a government outpost in eastern Phuc Thuy province. Forty communist soldiers were reported killed.

Syrian President Assad says he will continue to build up Syria's armed forces until victory over Israel. But he added Syria will keep up its efforts to achieve an honorable and just solution to the Middle East problem. President Assad spoke at a mass rally in Damascus, marking the 28th anniversary of the ruling Arab socialist party. He accused Israel of escalating military action along the Golan Heights in the past two days. And he said that Israel was using planes, tanks, artillery and infantry against Syria's positions Sunday. As he spoke Syrian and Israeli troops exchanged artillery fire along the Golan Heights for the 27th consecutive day. A Syrian communique said that 3 Syrian soldiers were killed and one wounded in the latest artillery exchange. Israel said one of its soldiers was wounded. An Israeli spokesman also denied that any Israeli planes were involved in Sunday's exchanges and made no mention of tanks or infantry use. Israel said Saturday its aircraft carried out two attacks against Syrian positions when Syrian soldiers infiltrated Israeli positions in the Mount Hermon area.

Israeli Defense Minister Moshe Dayan has proposed the Israeli government resign and that Prime Minister Golda Meir form a new government with the same ministers but with the cabinet resuffed. The Israeli radio reports that General Dayan offered to serve in a different post than the Defense Ministry in the new government. Mr. Dayan's proposal follows the findings of a special inquiry commission which cleared the Israeli political leadership of responsibility for the lack of preparedness for the October war. It laid the blame on several military leaders who resigned after the commission's report was made public. Israeli Information Minister commenting on Mr. Dayan's statement told Reuter that the government would decide within the next few days whether to approve the commission's report or resign. The findings of the inquiry commission threatened to split Mr. Dayan's own Labor Party. VOA correspondent says that Mr. Dayan's proposal is an attempt to settle the dispute before the parliamentary debate begins this Thursday. The opposition indicated it will introduce a motion for a vote of no confidence during the debate.

Two influential U.S. congressmen, one of them a Democrat, the other a Republican can't agree on whether enough votes can be mustered in the House of Representatives to impeach President Nixon. Democrat Wilbur Mills who heads the powerful House Ways and Means Committee says his informal conversations with House members make him think there are enough votes to impeach. In a TV interview, he said that if the House

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votes a bill of impeachment, the President should resign to prevent the national traumatic experience of going through a long trial in the Senate.

The Republican leader of the House, Representative John Rhodes said that while he hasn't made a count he does not think there are enough votes to impeach. In a separate TV interview Mr. Rhodes added that he thinks the White House will respond satisfactorily to a House Judiciary Committee request for presidential tapes related to the Watergate affair. The Committee has given the White House until Tuesday to answer the request. It is up to the Judiciary Committee to determine if sufficient grounds exist to begin presidential impeachment proceedings. If it says there are, and the full House of Representatives concurs, the President will be brought to trial before the Senate.

President Nixon has returned from France pleased with the results of his quick trip. President Nixon was in Paris to attend memorial services for President Georges Pompidou and afterwards met with other world leaders who were there. VOA Correspondent has this report: "President Nixon had breakfast Sunday with Soviet President Podgorny and also spent some time before flying back home with Prime Minister of Japan Tanaka. Later aboard Air Force One, newsmen were given to understand that the President considered his conferences with the other world leaders in Paris to have been very constructive. The plans for a Moscow summit meeting are going forward with late June as a target date and with high optimism about progress in the area of nuclear arms limitation. The aides who described the meetings emphasized that the leaders who met with Mr. Nixon want him to continue in office.

The world's main exporting oil countries meeting in Geneva have unanimously agreed on a special fund to provide easy-term loans to developing nations hit by soaring oil prices. Chairman from Iran of the meeting said the funds would start operations after final approval by seven of the twelve member nations of the Organization of Petroleum Exporting Countries. He declined to give any indication of the amount of the fund but said it will be financed by voluntary contributions of OPEC members. He said Iran plans an initial contribution of 150 million dollars. The OPEC ministers will now go to New York for the UN Special General Assembly on raw products which opens Tuesday. A special UN General Assembly session on raw materials and development opens Tuesday. Heads of state who are scheduled to attend include Algerian President, Boumedienne, the man who proposed the conference. Others due to take part include Soviet President, Chinese Vice Premier and the heads of state of Liberia, Gambia, Ivory Coast, and dozens of foreign ministers. So far more than 100 speakers have signed up to address the Assembly session. The 3-week session is expected to focus on calls for higher prices for raw materials and demands for a new relationship between countries that produce raw materials and industrialized countries.

Four British mine sweepers have arrived in Port Said, Egypt, at the northern end of the Suez Canal. They will participate in a 3-nation operation to clear the waterway of mines and other explosives. Egyptian navy vessels and the four British ships will assist U.S. helicopters especially equipped for mine detection and detonation. The helicopters will operate from the U.S. aircraft carrier Iwo Jima, which is also expected in Port Said. The mine clearing is the first move to reopen the Canal which has been blocked since the 1967 Arab-Israeli war.

U.S. Commerce Secretary Frederick Dent is in Moscow where he will open an American machine tool exhibit. It will later travel to other Soviet cities.

DENT SUGGESTS CHANGES IN EXPORT CONTROL AUTHORITY

Washington, Apr. 5 -- Secretary of Commerce Frederick B. Dent, testifying before the International Finance Subcommittee of the Senate Committee on Banking, Housing, and Urban Affairs, April 5, made the following points:

-- Export expansion is vital to the economic health of the United States, and export controls should be imposed only when they are absolutely necessary;

-- Problems raised by short supplies and rising prices impact both international trade and monetary policy, and solutions must come from international cooperation and consultation;

-- Export fees appear to be an effective device for discouraging the level of exports in certain circumstances and should be authorized; and

-- Existing authority should be amended to include an express declaration by Congress that International solutions to problems of world shortages, whenever feasible, are preferable to unilateral actions, and to authorize the President to use export controls, to the extent appropriate, to retaliate against a nation or group of nations which has unreasonably restricted United States access to their supply of a particular commodity.

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MASSIVE ENERGY RESEARCH PROGRAM PLANNED BY U.S. GOVERNMENT

(by John Uhler)
IPS Staff Writer

Washington, April 5 - A massive energy research and development program to help make the United States self-sufficient in energy by 1980 has been started by the Department of the Interior. Secretary of the Interior Rogers Morton said the five-year project could total 5,000 million dollars.

Much of the Interior Department's effort will focus on coal.

"We are embarked on a far-reaching program intended to see coal take over as much of the stationary heat and power load as practicable," he said, "so that oil and gas may be conserved for use as specialty fuels and chemical building-blocks, while we search for any and all breakthroughs that may lie ahead in technology."

The energy programs are all under President Nixon's "Project Independence" to assure that the United States will not have to rely on other countries for its energy needs.

Not included in the Interior Department program are energy research projects underway in the Atomic Energy Commission, National Science Foundation, National Aeronautics and Space Administration, National Academy of Sciences, and in civilian industry.

At an April 4 press conference, Mr. Morton said his Department is budgeting 500 million dollars in the fiscal year ending June 30, 1975 for energy research and development and "based on the present strong response from the private sector this could reach 1,000 million dollars in fiscal year 1976."

He said that coal -- "Our most abundant domestic fossil fuel resource and reserve" -- will receive top priority in the long-range research program. Part of his reasoning includes "insecurity of supplies of imported oil and gas."

Other Interior research projects include natural gas and oil, oil shale, geothermal heat, uranium and conservation of energy.

Oil shale in the Rocky Mountains "constitutes the world's largest known hydrocarbon deposit, equivalent to 1,800 million barrels of oil," Secretary Morton said (about 300 million metric tons).

The oil shale research program was formulated to provide the basic information needed to support production on a commercial scale.

Geologic mapping, test drilling, and other studies are needed to guide the Department of the Interior in the selection of future oil-shale lease tracts and in mining arrangements with industry, according to a 274-page report titled "Energy Research Program of the U.S. Department of the Interior." By 1985, the goal is to produce one million barrels a day of oil from shale.

Going on to discuss other components of the research program, the report notes that "geothermal energy has emerged only recently as a potentially important source of energy that can be obtained in considerable abundance within the confines of the United States." The report states that it "can have a significant impact on the nation's energy needs."

The lack of detailed knowledge about the location of the geothermal resources and the structure of the geothermal reservoirs must be overcome before the source can be tapped on a large scale. Ground heat is a remarkably elusive commodity, according to the report, so new tools must be developed and existing techniques must be modified.

Much more uranium must be mined in the coming years to fuel nuclear generators, according to the report: "By the year 2000, it (nuclear production) may generate about 60 percent of our electricity requirements, or about 300 times the amount of electrical energy presently produced by nuclear fuel." Research will attempt to develop more effective means of exploring for the element.

"Oil and natural gas currently provide 75 percent of the nation's energy needs and will continue to be our energy mainstay through at least the balance of this century," the report states, and part of the research program will be directed toward increasing domestic production of these energy sources. Much of the increased production is expected to come from outer continental shelf (O.C.S.) lands off both the Atlantic and Pacific coasts.

"Elimination of basic uncertainties about the impact of O.C.S. operations on the marine environment is crucial to the development of frontier O.C.S. areas," the report states.

The Interior Department, in addition to seeking more fuels and energy, will try also to have individuals and companies conserve as much energy as possible: "Improved energy management within the industrial sector has the greatest potential for reducing the rate of demand for energy," the report says.

In the coal research, a major goal is to have private industry establish large commercial plants producing synthetic gas and oil from coal. The Interior Department has already proved that several processes will work in laboratories and in small "pilot plants"; the next objective will be building larger plants to assure that various processes work on a large scale.

Finding ways to burn high-sulfur coal without polluting the atmosphere is another major project of the Department. "Scrubbers" in smokestacks and other methods will be tested and analyzed to assure that environmental laws do not have to be modified too much to allow increased burning of coal.

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/12/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES

The House Judiciary Committee ordered President Nixon to turn over by April 25 all tapes and other materials requested by the Committee for its impeachment inquiry.

In directing by a vote of 33 to 3 that a subpoena be issued for the evidence, the Committee rejected a last-minute offer by the White House to deliver some of the taped conversations within a few days.

The Senate today approved the federal financing of presidential and congressional elections beginning in 1976.

The landmark proposal was part of a package of campaign reforms that included strict limits on the amount candidates can spend and the amounts individuals can contribute.

The bill was sent to the House, where it faces strong opposition. President Nixon has said he would veto such a measure if it passes Congress.

Before final passage, the Senate voted 68-19 to require an audit of the personal income tax returns for the past five years of all members of Congress and every federal employe earning more than 20,000 dollars a year.

The Senate has passed and sent to the House a resolution calling for new diplomatic efforts to obtain an accounting for Americans still missing in action in Southeast Asia.

The resolution, adopted by voiced vote Wednesday, also calls for "every effort" to encourage reciprocal action by the South Vietnamese and Lao governments to encourage cooperation of the North Vietnamese and Lao Patriotic Front in accounting for the missing.

Led by Senator Edmund Muskie, a bipartisan group of senators called on Congress to enact comprehensive tax reforms before the end of this year's session. Muskie said that Congress should enact two kinds of reform -- relief from high tax burdens for the ordinary American and a strengthening of the tax code to eliminate unjustified tax breaks.

President Nixon declared West Virginia and Illinois as disaster areas, raising to eight the number of states eligible for federal aid to recover from last week's devastating tornadoes in the South and Midwest.

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ELSEWHERE IN THE WORLD:

Israeli Prime Minister Golda Meir officially tendered her resignation to President Ephraim Katzir, who later told newsmen Mrs. Meir would remain as head of a caretaker government but would not try to form another cabinet. Foreign Minister Abba Eban said the caretaker government was competent to negotiate a disengagement of forces agreement with Syria. He told newsmen the resignation of Mrs. Meir would not affect in any way the government's foreign policy actions.

An Arab guerrilla suicide squad slipped across the mountain frontier from Lebanon early Thursday, seized an Israeli apartment building in Qiryat Shmonah and opened fire on men, women and children. The Israeli state radio said 13 Israelis were killed, mostly women and children. The terrorists were wiped out by Israeli forces. Prime Minister Golda Meir charged Lebanon and its people with responsibility for the attack.

Syrian and Israeli forces again fought an artillery duel on the Golan Heights Thursday.

Soviet trade with the capitalist West jumped 39.7 percent last year, with West Germany and the United States the two major western trading partners, according to official statistics issued in Moscow.

Dow Jones closing averages: 30 INDUS 344.81 UP 1.10
20 TRANSP 181.31 OFF 0.78
15 UTILS 87.36 OFF 0.73
65 STOCKS 264.86 OFF 0.42
VOLUME 9,970,000 SHARES

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KISSINGER BRIEFS NEWSMEN ON MIDEAST PLANS

Washington, April 11--In a short exchange with newsmen April 10 following a private meeting with the Senate Foreign Relations Committee, Secretary of State Kissinger made the following comments on the Middle East situation, U.S.-Soviet relations and the conduct of U.S. foreign policy in response to questions:

MIDDLE EAST

QUESTION: "Could you tell us what effect you feel Israeli Prime Minister Meir's resignation may have on your efforts to get a disengagement agreement with Syria?"

KISSINGER: "I can't assess yet what the effect of Mrs. Meir's resignation will be on the Israeli political situation. I believe that progress on disengagement between Syria and Israel is very important to peace in the Middle East and I believe also that the Israeli leaders are aware of this."

Q: "Mr. Secretary, do you expect the indirect negotiations between Israel and Syria to go on at the regular pace, and to you expect Israel to be able to act decisively before new elections?"

K: "As far as I know, no new elections have yet been called.... We expect to meet with the Syrian representative this week and to continue at the pace that has been established."

Q: "Do you plan to go to the Middle East this month?"

K: "I'll be able to assess this better after I've talked with the

Syrian representative and after I see what has developed in Israel."

U.S.-SOVIET RELATIONS

Dr. Kissinger told the newsmen he "briefed the (Foreign Relations) Committee in detail about the discussions (during his recent visit) in Moscow, the various agreements and negotiations that are being conducted, and above all about the crucial importance of normalizing our relations with the Soviet Union and contributing to preserving the peace. It is, of course, a difficult and slow process but I believe we are making progress and I explained fully what we have done and what we intend to do."

Committee Chairman Fulbright told the newsmen the panel had received "a very interesting account of the Secretary's visit to Moscow." Senator Fulbright said "the Committee agrees with the policy of normalizing our relations with Russia," and he said he believes the Kissinger trip "has been misunderstood by some members of the press. I believe they (Dr. Kissinger and the Soviet leaders) are making serious progress."

Senator Fulbright also said Dr. Kissinger had "agreed in principle" to an open Committee session "at his convenience to discuss in public some of the implications of normalizing our relations with Russia and how it has affected, and will affect our relations generally, including the Middle East."

CONDUCT OF U.S. FOREIGN POLICY

QUESTION: "Did you discuss with the Committee the difficulties of conducting foreign policy while the United States Government is in disarray on some other matters?"

KISSINGER: "The foreign policy of the United States has been conducted on a bipartisan basis and the relationship between the Executive branch and this Committee in my view illustrates this...and we conduct the foreign policy from the point of view that peace is a matter that will have to be preserved over a period longer than the lifetime of any administration."

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SCHLESINGER COMMENTS AT NATIONAL PRESS CLUB

Washington, April 11--Defense Secretary Schlesinger sees no possibility of confrontation between the third world, including the People's Republic of China, and the two super powers as allies.

Answering questions at a National Press Club luncheon April 11, the Secretary noted that "the military capabilities of the United States and the Soviet Union are in a class by themselves," and said he did not expect a confrontation with third-world countries lining up against them.

"One should not presuppose," he said, "in the complex and variegated set of nations that we refer to as the third world that they will come together in unity with the Chinese People's Republic in a way that will confront the industrialized world. That does not say that there will not be difficulties.

"There will not be, however, the kind of military confrontations for which we prepare the Department of Defense. Nor will there be the kind of widespread economic and political confrontation which the question raised."

In answers to other questions, the Secretary said he thought the likelihood of a North Vietnamese offensive against South Vietnam is not as great today as previously; that the United States is by far the major seller of munitions to the Middle East, meaning the Arab states as well as Israel; and that if the Soviet Union fails to adjust its strategic forces downward, then the United States has no alternative but to adjust its forces upwards.

Speaking with neither a prepared text nor notes, Mr. Schlesinger, in his opening remarks, called for renewal in the Western world of what he called "moral vision and moral stamina." He deplored the growth of cynicism here and abroad which he warned could be corrosive. "The Western world is in some disarray," he said, "but more outside the United States than inside."

Following are highlights of his comments:

VIETNAM -- The Secretary praised the ARVN forces and said that four or five years ago, no one would have been anticipated that they would have turned out so well. They have "given a good account of themselves," he said, "it is necessary for us to continue to supply munitions for South Vietnam."

He pointed out that the U.S. objective in that country had been met. "The fundamental objective of allowing this state to survive as an independent entity has been achieved," he said, but the United States must continue to support it - "otherwise, we will violate our moral obligations."

On the possibility of a North Vietnamese offensive, the Secretary said: "We have seen in recent months a substantial diminution of the probability of such an offensive. We cannot exclude it entirely, but the odds are now against it. We would not expect it."

MIDDLE EAST -- Asked if he did not think it is time the United States "used its economic power and bartered for oil in the Middle East," the Secretary said: "Our armament sales to the Middle East, exclusive of the (2,200 million dollar) supplemental to Israel, vastly exceeds the armament sales of any other supplier nation. We are receiving cash... we live in a monetary economy.

"Barter arrangements are second best. So long as it serves the purposes of American foreign policy to provide armament supplies, we will continue to do so."

Soviet Union - "The United States and the Soviet Union have the peculiar, the paramount responsibility of arranging an equilibrium of forces," Mr. Schlesinger said in his opening remarks. - "The hopes for detente rest on the worldwide balance of forces."

He insisted that the maintenance of such worldwide balance must be achieved bilaterally.

He said that the SALT I agreement was "a good agreement," but he noted that it is only a five-year interim agreement. He warned that if the Soviets, through their improved MIRV techniques, better RV designs and weapons designs, and greater accuracy of their strategic forces begin to upset "essential equivalence," then "the numbers and throw weight of the United States will have to be adjusted upward."

The Secretary called for the maintenance of the strength of the United States and its allies. "If we are to have security," he said "that security must rest on the strength of ourselves and our allies and not ultimately rest on the goodwill of others... Our military posture must be based upon the maintenance of the worldwide military balance... If the balance changes, then we can adjust downward. But we should not adjust downward simply because of the improvement in political tone and political relations that exist between ourselves and the Soviet Union."

MILITARY FORCES -- The Secretary acknowledged publicly for the first time that he has charged the Joint Chiefs of Staff to make a study of what he called "force interdependence", focusing particularly on the requirements of the Marine Corps to have its own aviation. "Interdependence will be examined," he said, "But I cannot predict the outcome."

He pointed out that adjustments will be necessary in order to achieve "the total force concept." Air defense, he said, has become "irrelevant," and such defensive forces against aircraft are being eliminated except for the air defenses of the Southeastern United States, which are designed for protection against Cuba.

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/17/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE NATION:

Secretary of State Kissinger conferred with Foreign Ministers of Argentina and Brazil to lay the groundwork for a meeting Wednesday of the Organization of American States. The Ministers go to Atlanta for further sessions later in the week.

A high-ranking White House official, quoted by wire services, said in Key Biscayne that President Nixon will turn over "hard" evidence to the House Judiciary Committee, which will prove his innocence in the Watergate coverup.

In Palm Springs, Calif., Vice President Ford said he is willing to serve as middleman between President Nixon and the House Judiciary Committee. He told newsmen he thinks "chances are 50-50" now that the Committee will approve a resolution calling for the House to impeach, or indict, the President.

Voters in Michigan's 8th district turned out in heavy numbers to choose their new congressman in a special election that has turned into a political referendum on President Nixon. Nixon campaigned last Wednesday for the Republican candidate James Sparling in a tour of the area. Sparling's opponent is Democratic State Representative Bob Traxler. Some polls have put Traxler in the lead and the result is expected to be close.

The Supreme Court ruled that the Federal Government is entitled to restrict public comments by its employees if they would impair the reputation and efficiency of the government. In a 6-3 decision, the Court upheld a portion of the Lloyd-Lafollette Act providing for dismissal or suspension of Federal Civil Service employees for such cause as will harm the efficiency of the Service.

ELSEWHERE IN THE WORLD:

Israeli and Syrian artillery clashed again on the Golan Heights -- the 6th consecutive day of fighting. The military command in Tel Aviv said one Israeli soldier was killed and two wounded in the sporadic Syrian fire. Meanwhile in Cairo, the Egyptian newspaper Al Akhbar hinted that Egypt might open a second front in the Sinai Desert if the Israel-Syrian fighting continues.

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U.S. Agriculture Secretary Earl Butz told Japanese Prime Minister Tanaka that the United States is trying to grow as much food as possible and avoid export restrictions. Butz, on a tour of the Far East, held a 30-minute meeting with Tanaka in Tokyo.

U.S. Secretary of Commerce Dent said in London there is a "burning desire" in the Soviet Union and other Eastern European Communist countries to step up trade with the United States. Dent stopped over in London for one day on his way home from trade talks in the Soviet Union, Romania and Bulgaria.

In Paris, Gaullist presidential candidate Jacques Chaban-Delmas called for closer European cooperation free from any subordination to the United States. He told a press conference, "Europe cannot be built under American tutelage."

Army Secretary Howard Callaway reduced Lt. William Calley's sentence for murder at My Lai, South Vietnam, from 20 years to 10 years, making him eligible for parole in six months. The Army said Callaway acted because "sufficient mitigating circumstances exist to warrant clemency." Calley had been confined to his quarters in Fort Benning, Georgia, for three years before he was allowed out on personal bond almost two months ago.

Dow Jones closing averages: 30 INDUS 861.23 UP 17.44
20 TRANSP 183.73 UP 2.67
15 UTILS 87.39 UP 0.29
65 STOCKS 268.87 UP 4.38
VOLUME: 14,530,000 SHARES.

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U.S. REAFFIRMS ARMS CONTROL GOALS AS GENEVA CONFERENCE REOPENS

Geneva, April 16 -- The United States has reaffirmed its commitment to effective international restraints on chemical weapons and to a ban on underground nuclear weapons tests, with adequate verification procedures. It also has urged the Geneva Disarmament Conference to begin serious study of restraints on conventional weapons.

Those were the major points stressed by U.S. Delegate Joseph Martin, Junior, as the Geneva Conference, in recess since last August, reconvened April 16.

Ambassador Martin drew encouragement from the serious nature of a number of current, ongoing international efforts to solve outstanding problems by peaceful negotiations. He cited the talks in Vienna on mutual reductions of forces and armaments and associated measures in Central Europe, the Geneva Conference on Security and Cooperation in Europe, the Strategic Arms Limitation (SALT) Talks between the United States and the Soviet Union, and meetings in Geneva of the Standing Consultative Committee (SCC) which supervised earlier American-Soviet strategic arms limitation agreements.

All these owe something to the pioneering efforts of the Geneva Disarmament Conference, "which set an example as a serious, effective multilateral group dealing in a sustained way with the important issues that bear on the security of all states," Ambassador Martin said.

Regarding the issues currently before the Geneva Conference, the U.S. Delegate said his government remains "firmly committed to the objective of achieving effective international restraints on chemical weapons."

He recalled that he told the conference last August that the United States has not submitted a specific treaty proposal on chemical weapons "because we have not been able to find any approach which we could be confident would resolve the difficulties surrounding this subject."

Expressing determination to continue U.S. efforts in this matter, Ambassador Martin said:

"We understand and share the desire of the committee to make rapid progress in controlling chemical weapons, but we continue to believe that genuine progress can only be made by a careful study of all the complex problems inherent in such control. During this session we hope that other delegations will join us in further examination of possibilities for achieving adequately verified prohibitions on chemical weapons."

Ambassador Martin said the United States also remains "fully committed to the objective of a comprehensive (nuclear) test ban with adequate verification, which we continue to believe would require some on-site inspection."

Since the last conference session, he said, the U.S. research program on problems of detecting and identifying underground explosions by long-range instruments has continued and 80 sites have been selected for installation of new U.S. seismic research laboratories.

"International interest in our new seismic data management system and in the new arrangements for the prompt exchange of seismic data has been most encouraging," he added. "A new large-aperture seismic array now is being installed in Iran. Finally, we have continued our studies on the utility of unmanned seismic observatories."

As he has done at previous sessions, Ambassador Martin also called conference attention to "the desirability of considering the question of effective restraints on conventional weapons" -- which account for the largest part of world military expenditure, this year in excess of 216,000 million dollars.

He noted that a group of experts appointed by Secretary-General Waldheim of the United Nations is beginning a technical study in Geneva of military budgets while the International Committee of the Red Cross (IIRC) hopes to convene this summer a group of government experts to study the question of prohibition or restriction of the use of conventional weapons which may cause unnecessary suffering or have indiscriminate effects.

"These developments demonstrate the growing interest in possible restraints on conventional weapons," Ambassador Martin said.

Consideration of such restraints by the Geneva Conference, he said, "could eventually result in effective controls over these weapons, to the general benefit."

English Language Broadcast of the Voice of America

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/18/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE NATION:

Democrat Bob Traxler ended the Republicans' 42-year hold on Michigan's eighth congressional district by winning a special election that he called a referendum on Watergate. Final unofficial figures in the seven-county district gave Traxler 59,918 votes to 56,898 for James M. Sparling, his Republican opponent. The election caught national attention when President Nixon stepped in last week by making a whirlwind barnstorming visit to the area to boost Sparling's candidacy. The Democratic win was the fourth in five special congressional elections around the country this year and the second Democratic upset in Michigan.

GOP National Chairman George Bush conceded that he was "terribly disappointed" over the latest Republican setback, but said he is confident of a better showing by the party in next November's general elections. Vice President Ford, vacationing in Palm Springs, Calif., told newsmen: "The trend as I see it at the moment at least is for the Democrats to end up potentially with an overwhelming majority which leads to further legislative dictatorship and I don't think that's good for the country."

The Los Angeles Times reported that John Ehrlichman is disenchanted with President Nixon, feels Nixon's effectiveness is ended, and is angry with H.R. Haldeman for not telling him that even their talks with Nixon were tape recorded. Ehrlichman may be ready to make a deal with the Watergate Special Prosecutor, said the newspaper which quoted unnamed associates, neighbors and close friends of Ehrlichman.

The Supreme Court ruled that lower federal courts were wrong to dismiss suits brought on behalf of three Kent State University students slain by Ohio national guardsmen during a 1970 anti-war demonstration. The eight justices participating in Wednesday's decision ruled unanimously that the representatives of the dead students should have been granted a hearing. Justice William Douglas sat out the case for undisclosed reasons.

Senator William Proxmire urged President Nixon to mount a major attack on inflation, saying many steps could be taken to combat price increases "now eating up the income and savings of the American people." Proxmire, Vice Chairman of Congress' Joint Economic Committee, proposed that President Nixon "should cut, especially, military spending which is highly inflationary, highways which the energy crisis have made less important, space spending... and public works which are both inflationary and wasteful." He also urged the government to "cut back on all the frills of government - cars, limousines, boats, planes, and helicopters now used for the luxury of major officials."

USAID DISTRIBUTION: F&F

Frank Mcgee, an NBC Television newsman seen regularly on the "Today" program, died Wednesday in a New York hospital. He was 52, the cause of death was attributed to pneumonia. However, an NBC source said Mcgee had been under treatment for bone cancer for some time.

President Nixon has proclaimed May 12 as Mother's Day. In issuing the proclamation, the President used the occasion to call for continued efforts to end all forms of discrimination against women in hiring and promotion for jobs.

ELSEWHERE IN THE WORLD:

Communist leaders from seven Eastern European nations gathered in Warsaw for the first Warsaw Pact meeting in more than two years. Sources said the stalled Geneva European Security Conference and the uphill forces reduction talks in Vienna were on the top of the agenda. Also slated for discussion was the future of the Warsaw Pact, diplomats said.

The Beirut newspaper Al Anwar said the Soviet Union was prepared to intervene directly if necessary to halt Israeli military activity on the Golan Heights. Meanwhile, Egypt and Syria both hardened their lines against Israel as the fighting on the Golan Heights entered its 37th straight day Wednesday. Egyptian President Anwar Sadat insisted on Israel giving up "every inch" of occupied Arab lands under an over-all Middle-East peace plan. And Syrian President Hafez Assad said any agreement to separate the opposing armies along the Golan Heights must be a "step on the road to a radical and universal general settlement." In Tel Aviv, Israeli sources said Syria has rejected a Sinai-style U.N. buffer zone on the Golan Heights, complicating negotiations for troop disengagement with Israel.

The Iranian Government reacted sharply to Secretary of State Kissinger's warning against organization of trading blocs by countries with oil and other natural resources. A Foreign Ministry spokesman said Kissinger's remarks -- included in an address Monday to the Special Session of the U.N. General Assembly -- were a "gross misrepresentation" of the facts about oil production and prices.

Tripoli radio reported that the Mobil and Esso oil companies signed agreements with the Libyan government turning over 51 percent of their assets and operations to the government.

In Tokyo, the Kyodo News Service reported that Japan and the People's Republic of China have reached agreement on a civil aviation treaty and plan to sign it in Peking Saturday. Quoting Japanese government sources, Kyodo said negotiators in Peking agreed to permit Chinese flights through Peking to Rangoon, Burma, and on to Europe.

Dow Jones Closing Averages: 30 INDUS 867.41 UP 6.18
20 TRANSP 185.31 UP 1.58
15 UTILS 87.23 OFF 0.16
65 STOCKS 270.54 UP 1.67
VOLUME: 14,020,000 SHARES.

WILLIAM E. SIMON, THE NEW SECRETARY OF THE TREASURY

Washington, April 17 -- Following is a biographical sketch issued by the White House on the announcement of President Nixon's intention to nominate William E. Simon as the new Secretary of the Treasury:

Mr. Simon has been Deputy Secretary of the Treasury since January 22, 1973, and Administrator of the Federal Energy Office since December 4, 1973. In addition, he serves as a member of the President's Commission on Personnel Interchange and the Board of Directors of the New Communities Corporation of the Department of Housing and Urban Development and as Chairman of the Oil Policy Committee.

Prior to becoming Deputy Secretary of the Treasury, Mr. Simon was a senior partner of Salomon Brothers, an investment banking firm in New York, New York. He joined the firm in 1964. Mr. Simon was one of the seven partners on the firm's executive committee and was responsible for the government and municipal securities department.

He was born on November 27, 1927, in Patterson, New Jersey. Mr. Simon received his B.A. degree from Lafayette College, Easton, Pennsylvania, in 1951, and began his career in finance in 1952 with Union Securities in New York, becoming an assistant vice president and manager of the firm's municipal trading department three years later. In 1957, he joined Weeden and Company as vice president, a post he held until joining Salomon Brothers in 1964.

Mr. Simon has served on the Board of Governors and Executive Committee of the Investment Bankers Association of America, and on its Government Securities Committee. When that association merged with the Association of Stock Exchange firms in 1972 to form the New Securities Industry Association, Mr. Simon was elected to the Board of Directors and the Executive Committee and was appointed Chairman of the Public Finance Council.

He is founder and past president of the Association of Primary Dealers in U.S. Government Securities, and has been active in many public and private organizations, including serving as national chairman of fund raising for the United States Olympic Committee, and chairman of the Debt Management Committee of New York City. He is a trustee of Lafayette College, Mannes College of Music in New York City and Newark Academy.

He is married to the former Carol Girard and they have seven children. Mr. Simon and his family reside in Mclean, Virginia.

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WHITE HOUSE BRIEFING (WARREN) APRIL 17

Mideast -- Asked if the President is concerned, in the questioner's terms, over Soviet attempts to block Secretary Kissinger's Middle-East peace efforts and over Moscow's upgrading of Syrian forces, Warren replied that U.S. efforts in the Mideast "are aimed at attempting to arrange a disengagement agreement. Those efforts are continuing. I have nothing to add from here" to Dr. Kissinger's remarks on his meetings with the Syrian delegation and the Israeli Ambassador. "Our principal interest is in achieving disengagement," Warren added.

Simon -- The President will nominate William Simon to be Treasury Secretary, replacing George Shultz. (Shultz is leaving upon Simon's confirmation by the Senate.) Mr. Nixon intends to play an increasingly active role in coordinating economic policy and will assume Shultz' chairmanship of the Council on Economic Policy. The President will appoint John Sawhill to succeed Simon as Administrator of the Federal Energy Office, whose main task now will be to coordinate Project Independence 1980. Mr. Nixon does not plan to name a replacement for Shultz as assistant to the president. John Dunlop will replace Shultz as Chairman of the Cost of Living Council, continuing as its director. Peter Flanigan becomes Chairman of the Council of International Economic Policy, continuing as its director. There will be no chief spokesman for economic matters; Simon will be a spokesman as will Stein.

There will be no one White House official through which economic advice flows to the President. The President will continue to work closely with key advisers -- Simon, Stein, Ash, Dunlop and, on quadripart matters, Burns. Asked why the President is taking a more active role, Warren replied that "the President's role has been a strong one all along. At this particular stage, with changes in policy such as (expiration of) the Economic Stabilization Act and others, the President will pursue an expanded role of coordination himself." He noted that Mr. Nixon had enjoyed an "outstanding relationship" with Secretary Shultz and that the President "will miss that." Asked if the President shares Dr. Burns' belief that the nation is headed for "two-digit inflation," he said he would allow analyses to be done by the experts, including Stein.

Mayor -- The President conferred briefly with West Berlin Mayor Klaus Schultz, who earlier had met with Secretary Kissinger at the White House and with Deputy Secretary Rush at State. No details were given.

Address -- The President will address the 83rd Continental Congress of The Daughters of the American Revolution at Constitution Hall April 18 at 10 a.m. No advance text will be provided.

Sparling -- Warren said, "No, no way whatsoever" when asked if the President considered himself an issue in the Michigan special election won by Democrat Bob Traxler. Asked the President's reaction, Warren said the President believes Sparling "fought a good fight. If a man is willing to run hard and campaign hard on the issues, the President will never turn away from a chance to help." He said the results "were far closer than expected a few weeks ago." He said the race was "very close and by no means a runaway. Asked if the President was "dismayed" over loss of a safe Republican seat which last elected a Democrat in 1932, Warren replied the President would have preferred a Sparling victory, but that he was "not dismayed or disheartened. It was a close race. The President was pleased to go in and discuss the issues, the important issues facing the nation." Warren said he was prepared to give a "detailed analysis" of the result. Asked if the President feared a "legislative dictatorship" -- Vice President Ford's phrase -- from the trend of special congressional elections, Warren replied he already had given the President's reaction.

Ehrlichman -- He said the President is aware of what newspapers of general circulation reported when asked if Mr. Nixon knew of the Los Angeles Times story recounting John Ehrlichman's "disappointment" with Mr. Nixon, his feeling that the 13½ minute gap in a presidential tape recording was "deliberately" caused, and his asserted efforts to reach a settlement with the special prosecutor of the charges against him. Warren had no comment on the story. He said he had nothing to add to previous White House statements on the tape gap. He said he had nothing to offer on the subject when asked if the White House tape expert has reported his findings yet. He said he was not aware of any contact

between the President and Ehrlichman "recently." Asked if the White House plans another Watergate statement, he said he had no comment beyond noting that it would answer the Judiciary Committee subpoena after the Easter recess.

Taxes -- He said he was "unable to discuss any further" the IRS assessment of back taxes against Mr. Nixon when asked if the assessment included a 13,000 dollar negligence charge. He said he was not able to say when or how Mr. Nixon will pay the back taxes. He said he did not know if the President has signed the formal agreement with IRS to pay.

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UNITED STATES INFORMATION SERVICE VIENTIANE

4/19/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE NATION:

Chairman Peter Rodino of the House Judiciary Committee said that anything short of full compliance to the panel's subpoena for tapes of 42 White House conversations "could be considered as a possible ground for impeachment." Appearing on NBC's "Today" show, Rodino also said he would not be satisfied with edited transcripts because "this would mean that the White House would be making the final determination... this could not be a proper inquiry, a comprehensive inquiry unless we were to make the determination as to what is necessary."

In Other Related Developments:

--Senator Edmund Muskie said in St. Louis that President Nixon should be more cooperative with the Rodino committee's inquiry, adding that Nixon "has resisted efforts to get at the facts."

--Senator Charles Percy said in Chicago that he felt Nixon was determined to stay in office but said his resignation "would probably clarify the issue and politically would be somewhat of an advantage to the (Republican) party and possibly to the country."

--Senate Republican Leader Hugh Scott said President Nixon's refusal to cooperate with the House Judiciary Committee would put his administration in grave danger, "possibly leading to impeachment."

--Charles Colson, a former Nixon aide indicted March 1 in the Watergate cover-up along with seven other ex-White House officials, asked that subpoena be issued for certain tapes and materials before his scheduled September 9 trial.

In New York, former Commerce Secretary Maurice Stans testified that "on my oath I never did anything to help Robert Vesco in any way and I never asked anyone to do anything to help Robert Vesco." He flatly denied that he had conspired with former Attorney General John Mitchell to impede a federal investigation of Vesco in return for the fugitive financier's 200,000 dollar cash contribution to the 1972 Nixon campaign. He also denied lying to the grand jury that indicted the two former Nixon cabinet members.

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The New York City Bar Association is investigating possible professional misconduct by President Nixon, former Attorney General John Mitchell and three other Nixon administration attorneys, the New York Daily News reported. Others named in the Daily News copyrighted story included David Young, former co-director of the White House "plumbers" group and Gordon Strachan, former aide to H.R. Haldeman. A fifth individual was not identified.

In Seattle, Wash., John Ehrlichman termed "false" and "silly" a Los Angeles Times report Wednesday that he is disenchanted with President Nixon, less friendly with H.R. Haldeman and plans to settle for a guilty plea to reduced charges in his Watergate-related court cases.

ELSEWHERE IN THE WORLD:

Israel and Syrian planes battled over the Golan Heights and tanks and artillery duelled on the ground below for the 38th consecutive day, a Syrian military communique reported, adding "our forces are inflicting many casualties on the enemy." In Cairo, War Minister Ahmed Ismail said Egypt would fight alongside the Syrians if the situation on the Golan Heights became critical. President Anwar Sadat, meanwhile, told a joint meeting of the Arab Socialist Union and People's Assembly that he had ordered the Egyptian armed forces to look for arms sources from others. He said Russia "has hesitated for the past six months to respond to some of our arms requests."

In London, the Secretary General of the Organization of Petroleum Exporting Countries (OPEC) predicted a significant cutback in oil production by OPEC member nations. Abderrahmane Khene said the reduction would be necessary to ensure the future prosperity of the OPEC countries by conserving their oil reserves.

In Tokyo, U.S. Agriculture Secretary Earl Butz said he has "politely" warned Japan's leaders not to go bargain hunting around the world for food if they want assured supplies from the United States in times of shortage.

U.S. District Judge John Sirica ordered that a subpoena from Special Watergate Prosecutor Leon Jaworski demanding documents and tapes of 64 White House conversations be served on President Nixon and directed that Nixon answer the subpoena no later than 10 a.m. May 2. Mr. Jaworski requested on Tuesday the subpoena be served because he needed the material for the Watergate cover-up trial due to begin September 9.

A White House spokesman, asked what the President's reaction was to Judge Sirica's signing of Jaworski's subpoena today, said: The matter will be considered by the Special Counsel." That's all he said.

President Nixon told Daughters of the American Revolution that "the peace of the world is in our hands," and he warned that America could fall, like Ancient Greece and Rome, if it loses sight of its historic mission to create a world of peace and pursued material wealth instead. The President spoke before the DAR's annual Continental Congress in Washington.

The Commerce Department reported that the U.S. Economy stumbled toward recession in the first three months of 1974, with output falling at the biggest rate in 16 years and inflation rising at the fastest pace in more than two decades. Economic growth, as measured by the gross national product, fell 5.8 percent between January and March, putting an end to three years of uninterrupted expansion. Prices rose 10.8 percent during the period, the biggest inflationary jump since a 13 percent rise in 1951.

Prices gained ground in light trading for the third consecutive session on the New York Stock Exchange, again brushing aside bad news on both the economic and interest rate fronts. Gainers held a seven-to-six edge over losers, among the 1,752 stocks traded.

Dow Jones Closing Averages: 30 INDUR 869.92 UP 2.51
20 TRANST 186.59 UP 1.28
15 UTILS 87.23 UNCH
65 STOCKS 271.49 UP 0.95
VOLUME: 12,470,000 SHARES.

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U.S. PRESENTS RESOURCES PROPOSALS TO GENERAL ASSEMBLY COMMITTEE

United Nations, April 18 -- The United States has called for a survey of the earth's non-renewable resources, an international fertilizer institute, a study of climatic changes, an adjustment of commodity prices, and new farm technology to offset the danger of raw materials shortages and future development problems.

These major suggestions are made in a summary of proposals presented April 17 to the Ad Hoc Committee of the Special Session of the General Assembly being held in New York through April 29 to take up such matters.

Each participant has been requested to submit such a list as a basis of the debate during which delegates are attempting to draw up a draft declaration for the establishment of a new international economic order. The American suggestions reflect the ideas presented by U.S. Secretary of State Kissinger in his April 15 Assembly address.

The text of the U.S. proposals to the Ad Hoc Committee follows:

1. An international group of experts, working closely with the Resources and Transport Division of the Department of Economic and Social Affairs, should be asked to undertake immediately a comprehensive survey of the earth's non-renewable and renewable resources. This should include the development of a global survey early warning system to foreshadow impending surpluses and scarcities.
2. An international fertilizer institute should be established as part of a larger effort to focus international action on two specific areas of research: improving the effectiveness of chemical fertilizers, especially in tropical agriculture; and new methods to produce fertilizers from non-petroleum resources. The United States will contribute facilities, technology and expertise to such an undertaking.
3. The International Council of Scientific Unions and World Meteorological Organization should urgently investigate the problem of the possibility of climatic changes in the monsoon belt and perhaps throughout the world and offer guidelines for immediate international action.
4. All nations here should pledge themselves to avoid trade and payment restrictions in an effort to adjust to higher commodity prices.
5. Additional measures should be considered to mitigate the effect of commodity price rises on the low-income countries least able to bear the burden.
6. The United States is prepared to contribute to international programs to develop and apply new farm technology which is both productive and labour-intensive.

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WHITE HOUSE BRIEFING (WARREN) APRIL 18

Mideast -- The President met with Egyptian Foreign Minister Fahmy; Warren turned aside attempts to find out when the meeting was scheduled, even when reporters noted that Kissinger had had to cancel part of his schedule to participate. Warren said Fahmy was in the United States for the Special Session of UNGA, and as a result of discussions with Kissinger last week and over the weekend it was "mutually agreed" that a meeting with Mr. Nixon was "convenient and useful." Warren said the two reviewed the "current situation in the Middle-East and the status of efforts to achieve a disengagement between Israel and Syria as well as other matters of mutual interest to the United States and Egypt." Nixon also asked Fahmy to convey his regards to Sadat. Asked if the meeting was linked to the stepped-up fighting on the Golan Heights, Warren said the meeting was for the purpose stated - "a general review of the situation in the Middle-East in its totality and the efforts" of Washington and others to pursue peace. Asked if the President would warn Egypt against joining in the hostilities, he said the meeting was a "general, broad review of the situation in the Middle-East." Asked the U.S. view of the Golan Heights fighting, Warren replied that "we of course are concerned about any degree of violence which might affect efforts at disengagement." Asked if the United States would be "receptive" to an Egyptian request for arms -- as implied in Sadat's statement that Cairo might have to look to countries other than the Soviet Union -- Warren said he knew nothing of such a request. He said he could not be more specific than he had been on the meeting and would not have a report for newsmen on its conclusion.

Asked if Fahmy would discuss a possible presidential trip to Egypt, Warren replied that the President would like at some point to visit the Middle-East, but said he did not know if that subject would come up. In any case, he said, no announcement would come from the session. Asked if there has been communication with Moscow on 1) the Soviet wish to be more active in Mideast peace efforts and 2) the asserted Soviet desire to re-arm Syria, Warren replied that he would not respond specifically, while reminding newsmen that "we have had close consultation with the Soviet Union. Foreign Minister Gromyko was here last week, but that is not to answer either of your questions."

Economy -- Asked if the projected five percent drop in gross national product for the first quarter was in line with the Administration "game plan," he said that "without treading on (Herbert) Stein's territory let me just say that we had expected a certain impact on the economy in the first quarter and the first half year, with improvement in the latter part of the year. I can't say if we expected any particular figure."

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UNITED STATES INFORMATION SERVICE VIENTIANE

4/22/74

NEWS ROUNDUP

VOA

Cambodia- Communist troops have forced government soldiers to withdraw from part of the west bank of the Tongle Sap River just north of Phnom Penh. In South Vietnam, heavy fighting was reported around a government base near the border with Cambodia. Forty South Vietnamese soldiers were wounded in a communist attack on the base. Heavy fighting also continues for control of the town of Cao Me 60 kilometers northeast of Saigon.

For the fortieth straight day the sounds of battle rang along the Golan Heights Sunday as Israel and Syria tried to gain strategic positions on Mount Herman before entering into disengagement talks. CBS newsman reports from Tel Aviv on the latest round of clashing. "In the first rear action on the northern front since Friday, the Israelis say their planes bombed and strafed Syrian gun positions in the Mount Herman area. The military command in Tel Aviv said all Israeli planes returned safely to base. Earlier Syrian artillery bombarded Israeli positions on the summit of Mount Herman. No casualties have been reported. An Army bulletin issued here said one Syrian MIG 21 tried to penetrate Israeli air space near Mount Herman but turned back when Israeli fighter planes rose to intercept it. Despite the air action, the fighting today remained far below Friday's which was the highest since the end of the October war. But more fighting is anticipated in the region especially around Mount Herman and the southern edge of Israel's 300 square-mile enclave inside Syria." While the military struggle between Israel and Syria continues, a less violent political struggle is going on within Israel. After five hours of meetings in Tel Aviv the Central Committee of Israel's ruling Labor Party voted to select a candidate to succeed Prime Minister Golda Meir and to form a new government. VOA Correspondent reports: "The Central Committee of the Labor Party will meet again Monday afternoon to cast secret ballots to pick one of the proposed candidates to take over from Prime Minister Golda Meir and to try to form a new government. So far two ministers have announced their candidacy. But Foreign Minister Aban Eban said Sunday night that he is considering putting his own name down as well. The candidate elected in Monday's Central Committee meeting will be given a mandate by the President of Israel which allows him twenty-one days to...garble..."

USAID DISTRIBUTION: B&F

Secretary of State Kissinger is preparing to make another trip to the Middle-East in continuing series of trips between Damascus and Tel Aviv to work out a disengagement agreement. He has just returned to Washington from Atlanta where he spoke to the General Assembly of the Organization of American States. VOA correspondent reports that Dr. Kissinger's remarks in Atlanta were not meant strictly for the Latin American countries. Much of the Secretary's address was devoted to the need for meeting food and energy shortages, both in the Western Hemisphere and on a worldwide basis. He pledged U.S. cooperation with its Latin American neighbors in developing common programs to deal with these shortages. He noted that President Nixon is asking the Congress to raise U.S. assistance to food production programs in the Americas from 86 to 128 million dollars. Turning to the Organization itself, Secretary Kissinger said that the OAS needed to be reformed so that it would become more an effective instrument for hemispheric cooperation. At the moment, he said, it is overly rigid in its structures, unnecessarily formal in its procedures and insufficiently broad in its membership. He urged that the OAS be open to all the nations who have attended the recent foreign ministers conferences. This would presumably include the Bahamas and Guiana but not Cuba under its present government. Although elected president of the Atlanta conference which is expected to continue until May 1, Secretary Kissinger returned to Washington to begin preparations for his trip to the Middle East. He will be visiting both Syria and Israel in an effort to bring about military withdrawal along their common border.

President Nixon's chief domestic affairs adviser was interviewed Sunday on American TV. White House correspondent reports: "The two major domestic problems of the U.S., said Kenneth Cole on NBC's 'Meet the Press', are the energy shortage and the over growth of the Federal Government. The energy problem, he noted, is being eased by the lifting of the Arab oil embargo, however, he implicitly criticized the Congress for failing to act on a number of administration energy measures. He specifically mentioned the deregulation of natural gas, the easing of restrictions on coal mining and the authority to build deep water ports offshore. Mr. Cole said Federal Government has grown too big and is taking too great a role in such matters as community development, urban transit, and law enforcement. The panel of interviewers was told that the White House continues to oppose a cut in taxes advocated by some as a means of aiding lower income groups to cope with inflation. Mr. Cole said that a tax cut might serve to inflame the inflationary pressures still more. In his view the second half of the year will see inflation subsiding and the main goal of the administration is to, as he put it, keep these people working. Mr. Cole flatly denied that President Nixon's leadership in the domestic field has been ineffective or that the threat of impeachment has had an adverse impact on the administration's legislative objectives." Japanese leaders are now studying the new situation created by Taiwan's announcement earlier this week that airline flag carriers of Taiwan and Japan would no longer be permitted to fly between Taipei and Tokyo. The decision by Taiwan was announced shortly after a new air agreement was signed between Japan and the PRC.

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U.S. GIVES 50 MILLION DOLLARS TO ADB SPECIAL FUNDS

Manila, April 19 -- U.S. Treasury Secretary George P. Shultz has signed an agreement providing for a 50-million-dollar contribution by the United States to the special funds of the Asian Development Bank.

The Treasury official is the U.S. governor of the ADB. He is in Manila en route to attending the Bank's annual meeting in Kuala Lumpur, Malaysia.

The special funds of the ADB were established in 1967 to provide concessional loans for high-priority development projects in the least developed member countries of the bank.

The 50 million dollars provided April 19 is the first U.S. contribution to the ADB special funds. The sum was appropriated in December 1973, under a 1972 authorization for a 100-million-dollar contribution. The Nixon administration is seeking the remaining 50 million appropriation in fiscal year 1975, as well as a further 50-million-dollar authorization for the 1976 fiscal year, which begins in July, 1975.

Speaking to reporters following the signing ceremony, the U.S. Treasury secretary said the price of crude oil has reached its peak and is definitely on the decline.

The visiting American official also said that, because of an increase in all-out food production in the United States, basic food prices have gone down. This, he said, is good not only for the U.S. but for other countries as well. "These prices in the United States are what everybody in the world pays. Our marks are open," he said.

Asked what he would tell the ADB conference at Kuala Lumpur, Mr. Shultz said he expected to discuss the energy and food crises, as well as inflation, monetary and trade reforms.

When federal energy administrator William E. Simon takes over his post after confirmation by the Senate, Mr. Shultz will seek some combination of business and university life, he said. However, any time the President needs him he will be ready to serve, he stressed.

The Treasury official arrived in Manila April 18 at the head of a party of 38 persons for talks with Philippine government and ADB officials.

The party visited Corregidor as guests of President Marcos and the First Lady, on board the Presidential Yacht.

During the trip, Secretary Schultz and other American officials had an opportunity to discuss regional economic issues informally with their counterparts in the Philippine government.

Herbert Stein, chairman of the President's Council of Economic Advisers, is a member of the group.

Mr. Shultz and his party were scheduled to leave April 20 for Jakarta and to visit Singapore before attending the ADB meeting in Kuala Lumpur, April 25-27.

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U.S. OIL EXPLORATION MAY BEGIN NEXT OFF ATLANTIC COAST

(By John Uhler)
IPS Staff Writer

Washington, April 19 -- Enough oil and natural gas to supply all the demands of the United States for 20 years may lie off the U.S. coasts in shallow water. Experts say the oil and gas available there may equal the amount available on land.

American drillers have been discovering increasing amounts of oil and gas offshore, as the on-shore discoveries and production have tapered off. In 1972, over 12 percent of all domestic production of oil and 13 percent of all domestic production of gas came from offshore wells.

The tripling in the price of foreign oil has quickened interest in more rapid development of offshore fields, and could help overcome inhibitions based on fears that increased drilling offshore may damage the environment in coastal areas.

Since 1954, the Department of the Interior has leased some 10.4 million acres (4.2 million hectares) of ocean bottom in the Gulf of Mexico and off California to oil companies for exploration and development. The government received nearly 12,000 million dollars on the leases plus another 2,000 million dollars in royalties.

President Nixon has called for a tripling in the amount of land leased offshore, as part of Project Independence, to make the United States self-sufficient in energy by 1985. In March, oil firms bid a record 2,160 million dollars for 114 tracts in the Gulf of Mexico. In the fiscal year ending June 30, about three million acres will be leased and in the next fiscal year the figure will jump to 10 million acres.

The next target areas will probably be in the Atlantic Ocean, which environmentalists have prevented from being drilled so far.

The Council on Environmental Quality (CEQ), after a full year of work, submitted a thick report to President Nixon this week saying that areas off the coasts of New England and Virginia would be comparatively safe for oil drilling. Other areas off the Eastern United States and in the Gulf of Alaska would be much harder to drill, and spills there might cause widespread damage to the environment, the report said.

By 1985, New England "may obtain 30 percent of its crude petroleum and 71 percent of its gas" from drilling off the new England Coast in an area named Georges Bank, the CEQ report estimates.

"Pacific Coast requirements for additional oil can be met from the (on-shore) North Slope of Alaska," the report states. But if offshore Alaskan areas are drilled despite the environmental hazards, "indications are that production from the Gulf of Alaska will exceed" the needs of the Pacific Northwest states.

The more oil the United States finds within its jurisdiction, the more U.S. demand will be reduced. The ECQ report says, "energy demand reduction in the United States will also ease the world energy supply situation." The United States already produces 20 percent of the world's oil and nearly half its natural gas.

A National Academy of Sciences critique of the April report estimated that the "outer continental shelf" fields could be drilled by about 1978 in the Atlantic. However, concern over possible oil spills and the effect of oil-induced industrialization on nearby mainland areas could slow that timetable.

Russell Peterson, former Delaware governor and now chairman of the Council on Environmental Equality, said at a Washington press conference on April 13 that his report gives neither a green light nor a red light to further offshore oil and gas development. He explained that the Interior Department must first prepare environmental impact statements before oilmen can begin drilling in the Atlantic or the Gulf of Alaska. Impact statements have already been completed on Gulf of Mexico tracts.

How will offshore oil and gas wells affect nearby areas?

"Outer continental shelf oil and gas production will result in on-shore development of huge refineries, petrochemical complexes, gas-processing facilities, construction industries, and other service operations,"

The CEQ report states, "This development will create jobs, increase income, shift populations, change residential and commercial development and land use extensively, and degrade the environment."

As many as 120,000 new jobs could be created by oil and gas production off the coasts of Georgia and South Carolina by the year 2000, according to the report. Up to 145,000 persons might move into such an affected area.

If thorough advance planning is done at all levels of government, the report says, there will be minimum detrimental effects on the environment. Some oil spills are bound to occur, but corrective measures taken quickly will alleviate ecological harm. Modern technology has armed oil companies and the U.S. Coast Guard with chemical and mechanical "weapons" for moving oil spills at sea, dissipating the oil, and cleaning beach areas.

Oil exploration is underway in the coastal waters of about 100 nations and production is or soon will be underway off 40 countries. The ocean depths "hold what experts say is the brightest promise for future supplies of oil for many European nations, such as Great Britain and Norway, as well as the United States," a Christian Science Monitor article said recently.

Mr. Peterson noted that a Law-of-the-Sea conference will open in Caracas in June. He commented:

"One of the critical items being discussed there is how one defines the areas where the coastal nations can carry out such functions as drilling for oil... I think it is very important to the world that we get some international authority to cope with these problems because if not we are heading for an increasing number of 'collisions' around the world as nation after nation is out to exploit these resources."

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/23/74

NEWS ROUNDUP

Congress reconvened after its Easter recess with the Senate scheduled to open debate on no-fault car insurance. Foreign trade, campaign financing and national health insurance bills also are pending.

Three senators--Hubert Humphrey, Edward Kennedy and Walter F. Mondale--have called for a tax cut to help deal with the nation's economic problems.

The Senate Permanent Investigations sub Committee headed by Senator Henry M. Jackson heard EXXON Corporation executive O.E. Peyton report his firm had "no real choice" but to comply with Saudi Arabia's oil embargo last Fall and cut off supplies to U.S. military forces abroad.

An explosion and fire, apparently caused by accumulated gas, ripped through a commercial building in New York and heavily damaged the Envoy Towers, an adjacent residential building, near the U.N. Headquarters. More than 40 persons were injured; the 250 families in the residential building were ordered evacuated.

The diplomatic missions of Laos, Nepal, Indonesia, and Burundi, located in and around the wrecked building were severely rocked.

Governor George Wallace told a weekend rally in Alabama he owes much of his success to the average man and if it is in "the best interest of the people" he will run for president in 1976.

Fifty-eight percent of the American people oppose amnesty for Vietnam draft evaders, the Gallup Poll reports. The figure is down from last year's 67 percent opposition. Another poll by the same organization finds only one college student in seven would describe himself as a Republican. Some 37 percent of the collegians call themselves Democrats and 49 percent Independents.

President Nixon will visit Jackson, Mississippi, Thursday to address the Mississippi Economic Council, in the 10,000-seat Mississippi Coliseum.

The I.C.C. has ordered buses traveling between states to start limiting smoking to the rearmost twenty percent of their seats. Previously the I.C.C. ruled that AMTRAK has to provide separate smoking and non-smoking sections on railroad cars on a 50-50 basis.

The 88th annual convention of the American Newspaper Publishers Association opened in New York with reports of "a growing" barrage of challenges to first amendment guarantees of press freedom" and "ever lengthening tentacles of government encroachment" on business.

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Kenneth Cole, President Nixon's chief domestic adviser, predicts the economy will bounce back in the second half of the year, saying "we believe that things will begin to stabilize in the second quarter and we think the economy will be on an upturn in the second half of the year."

John C. Sawhill, the nation's new energy chief, says gasoline prices may climb another five cents a gallon after price controls expire the end of this month.

U.S. District Court Judge Miles Lord ordered Reserve Mining Company's taconite plant at Silver Bay, Minnesota, shut down over the weekend because of taconite wastes dumped into Lake Superior. The wastes were found to be endangering the health of area residents who drink the lake water.

ELSEWHERE IN THE WORLD:

Soviet Communist Leader Leonid Brezhnev met with visiting U.S. Senator Edward Kennedy (D-Mass.) in the Kremlin for four hours today. A spokesman for the Senator said the two discussed a wide range of topics.

In Cairo, President Anwar Sadat, meeting with visiting West German Chancellor Willy Brandt, said Egypt and West Germany agreed to a form joint ministerial commission to promote political, economic, industrial and cultural cooperation. Sadat also took the occasion to again laud U.S. efforts to bring peace to the Middle East.

Treasury Secretary George P. Shultz arrived in Singapore today from Jakarta, for a three day visit and talks with government leaders. Mr. Shultz is on his way to Kuala Lumpur to head the U.S. delegation at the seventh annual Asian Development Bank meeting starting on Thursday, and is due to return to Washington, April 29th.

Vice President Gerald Ford says he believes the White House will release within 48 to 72 hours the 42 tapes demanded by the House Judiciary Committee. He called on President Nixon to "do anything reasonable" to clear up the Watergate controversy. Mr. Ford appeared before the annual meeting of the Associated Press in New York.

Federal Reserve Board Chairman Arthur Burns says the U.S. will be in "grave difficulty" unless it brings inflation under control. "The country is facing a very dangerous problem of inflation and the excessively rapid expansion of bank loans is a matter of deep concern to me"

Senator Democratic Leader Mike Mansfield, declaring the nation "on the verge of a recession" says he favors a tax cut this year. Senate Republican Leader Robert P. Griffin said: "We can't afford a tax cut in terms of the budget situation but if it were necessary to head off a recession, it might be justified.

Labor Undersecretary Richard Schubert says pockets of high unemployment caused by the energy crisis will continue despite the end of the oil embargo.

John R. Bunting, Chairman of the First Pennsylvania Corporation, predicts that the prime rate would reach 12 per cent and unemployment will reach six percent this year. He adds: "I expect that for each twelve-month period until at least 1977 the Consumer Price Index will rise by more than seven per cent a year."

The Democratic Governors Conference, at Chicago, heard Party Chairman Robert S. Strauss and 1968 Presidential candidate Hubert Humphrey assert that strong programs to solve national problems, and not the Watergate scandal, will return the party to power in 1976.

Pan American World Airways said it had received reports one of its Boeing 707 jets with 106 persons aboard had crashed between two mountains on the Indonesian island of Bali.

Fighting flared along the entire Golan

Fighting flared along the entire Golan Front in the Middle East. Israelis are reported reinforcing their positions on Mount Hermon where they hold three peaks. And in Tel Aviv, Yitzhak Rabin was narrowly elected as the Labor Party's new leader.

Further rises in the prime lending rate sent stock prices lower in very slow trading on the New York Stock Exchange.

Dow Jones Closing Averages: 30 INDUS 858.57 OFF 1.33
20 TRANSP 183.19 OFF 0.73
15 UTILS 35.99 OFF 0.70
65 STOCKS 267.53 OFF 0.85
VOLUME: 10,5200,000.

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SECRETARY SCHLESINGER SEES A CONTINUED STRONG NATO

Washington, April 22 -- U.S. Defense Secretary James Schlesinger says the morale and training of American forces in West Germany is excellent and they are "fully capable of fulfilling the important mission that they have been given."

Mr. Schlesinger made the assertion April 22 in a brief meeting with reporters at Andrews Air Force Base following his return from a European inspection trip.

"Western Europe continues to be -- aside from the defense of North America -- the most important function, the most important foreign policy commitment of the United States," the Secretary added.

In response to a question, Secretary Schlesinger said he did not believe that U.S. forces in Europe should be reduced except "in connection with the mutual balanced force reduction exercise that is under way in Vienna."

On other matters Mr. Schlesinger had these observations:

Possible U.S. arms sales to Egypt - He did not know what the U.S. position would be, but noted that the U.S. is seeking a long-term solution to the Middle East situation and any possible arms sale to Egypt "should be carefully examined."

U.S. ship movements in the Indian Ocean -- He noted that American ships have moved intermittently into the Indian Ocean since the outbreak of the Middle East conflict last October 6, but he said there was no intention to maintain a long-term U.S. presence there. The proposed naval support base on Diego Garcia would serve to shorten lines of communication but not to provide a continued American naval presence in the Indian Ocean, he said.

Possible changes in U.S. leadership -- In his talks with European leaders, the Secretary said they did not give any indication that they expected changes in the American government or its foreign policy.

He said he had assured European newsmen in response to questions that U.S. foreign policy was strong and stable and that the U.S. would maintain its defense-commitment to Europe.

Targeting policies -- He said there were no disagreements by European leaders with the changes in U.S. strategic targeting policies. He noted that the changes had eased the fears of some Europeans "that U.S. strategic forces might be decoupled from the security of Western Europe."

Detente -- He said "the reason that detente may progress is that we maintain a worldwide military equilibrium." To upset the balance of forces "would not further detente but would weaken it," he added.

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U.S. DOING ALL IT CAN TO GET DATA ON MISSING IN-ACTION

New York, Apr. 22 -- The U.S. Government "is doing the maximum it can to gain access to all information available" from the North Vietnamese about the American soldiers missing in action.

In giving this assurance to the annual meeting of the Associated Press in New York, April 22, Vice President Gerald Ford noted that he was speaking about U.S. efforts in the diplomatic context. "Unless we are willing to take a tougher stand...this would mean some risks...we will have to fight for our information inch by inch."

Meanwhile, he said, "our government and the Defense Department are working as diligently as they can" to obtain all possible information. Mr. Ford said the North Vietnamese have met, to a reasonable degree, many of the terms of the Paris Peace Agreement but they "have not backed up the Agreement" in respect to men missing in action. The information the United States has received has been limited, he said, referring to the list of 1,200 U.S. soldiers missing-in-action that the North Vietnamese had released some months ago.

The Vice President, as the guest speaker, made a brief statement in which he trusted "that a free government and a free press will remain as the bulwarks of our free republic." He then submitted to an half-hour of questioning from the audience, during which, while he discussed a number of domestic subjects, he reaffirmed that "I have no intention of being a candidate for any political office in 1976."

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Evening (1800-2300 local)	19 meter band	15345 kHz	
		15210 kHz	
		15155 kHz	
	25 meter band	11775 kHz	
	31 meter band	9760 kHz	
	190 meters	1530 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສ່ຽງ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/25/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

H.E.W. Secretary Caspar Weinberger called for speedy enactment of a National Health Insurance Bill, urging Congress to "firmly reject the views of those few who counsel that no action be taken until some vague future time." Testifying at the start of the first major health insurance hearings in Congress since 1971, Mr. Weinberger said, "it would be callously cruel to delay action on something so vital to all the people..."

The ranking Republican on the House Judiciary Committee said most of the 56 allegations being investigated in the panel's impeachment inquiry will be dropped Thursday. Representative Edward Hutchison told this to newsmen after a meeting of the Republican committee members. He did not give details.

The Supreme Court upheld on a 6-3 vote the Florida law giving widows, but not widowers, a 500 dollar tax break on grounds that society is inhospitable to working women. Justice William O. Douglas wrote the majority decision, citing the generally lower economic status of women as a proper basis for the law.

Critics who charged the energy crisis was a maneuver by oil companies to raise prices have been outraged by the companies' increased profits. Exxon estimated net income for the first quarter of 1974 up 9 percent; Texaco's increase was 123 percent; Gulf reported a 76 percent increase; Amoco, 81 percent; Ashland Oil, 40.5 percent; and Commonwealth Oil Refining Inc., 450 percent. A spokesman for Senator Howard Metzenbaum said, "The huge profits announced by the oil companies confirms all that Senator Metzenbaum has been saying about the oil companies ballooning the energy shortage into a crisis in order to inflate their profits. It also confirms the need for a price rollback."

Senator Henry Jackson, interviewed on CBS-TV, called the oil company profits "obscene." In Zurich, the Shah of Iran urged Western governments to take action against oil companies using the energy crisis to make excessive profits. Without such action and a reduction of fiscal burdens on petroleum imports, producer countries see no reason for reconsidering their pricing policies, the Shah said in an interview with the newspaper Neue Zuercher Zeitung."

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ELSEWHERE IN THE WORLD:

Israeli and Syrian warplanes bombed and strafed each other's position on Mt. Hermon while tank and artillery duels roared along the Golan Heights in the 44th straight day of fighting. In Damascus, the government newspaper Al Thawra warned: "If the enemy continues to ignore the truths and results of the October war, there will no doubt be a fifth war and the Arabs will find themselves faced with it."

Dow Jones closing averages: 30 INDUS 832.37 OFF 13.61
20 TRANSP 176.49 OFF 3.52
15 UTILS 80.49 OFF 1.34
65 STOCKS 257.65 OFF 4.46
VOLATILE
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PRESIDENT NIXON'S FOREIGN AID PROPOSALS FOR 1975

Washington, April 24 -- In a special message to Congress April 24, President Nixon asked the legislature to authorize a total foreign aid budget of 5,180 million dollars for Fiscal Year 1975, which begins July 1.

That amount, he said, represents "the minimum which the United States can prudently afford to invest if we are to maintain the present degree of international equilibrium and advance our efforts to construct a durable peace with prosperity."

Continuation of a healthy foreign aid program is "an indispensable element of our foreign policy," Mr. Nixon declared.

A large part of the request is earmarked for nations in Indochina and the Middle East.

The President's request for aid to Indochina is 939.8 million dollars to help South Vietnam, Cambodia and Laos shift their economies from war to peace and accelerate the reconstitution of their societies.

(In response to a question at the daily White House briefing, Deputy Press Secretary Gerald Warren said the breakdown of the request for economic assistance to Indochina was 55 million dollars for Laos, 750 million dollars for South Vietnam, and 110 million dollars for Cambodia. The balance of the request would cover administrative costs, he said.)

-- For a special requirements fund: 100 million dollars to be used for any needs that may arise as a result of a peaceful settlement taking shape, such as provision for peacekeeping forces, refugee aid or settlement, and development projects.

To continue U.S. aid to developing countries, President Nixon is asking Congress to authorize for Fiscal Year 1975 the appropriation of 255.3 million dollars in addition to 618 million dollars already authorized by last year's Foreign Assistance Act.

In the area of security assistance, the President is asking Congress to authorize the appropriations in fiscal 1975 of 985 million dollars for grant military assistance, 555 million dollars for foreign military sales credits, and 385.5 million dollars for security supporting assistance.

PRESIDENT NIXON'S FOREIGN AID PROPOSALS FOR 1975

Washington, April 24 -- Following are excerpts from the text of President Nixon's April 24 message to Congress outlining his proposals for U.S. foreign assistance in fiscal 1975:

For more than twenty five years, America has generously provided foreign assistance to other nations, helping them to develop their economies, to meet the humanitarian needs of their people and to provide for their own defense.

During this era foreign aid has become an indispensable element of our foreign policy. Without it, America would risk isolating herself from responsible involvement in an international community upon which the survival of our own economic, social and political institutions rests. With the continuation of a healthy foreign aid program, this nation can continue to lead world progress toward building a lasting structure of peace.

Now that we have ended the longest war in our history and no American troops are serving in combat for the first time in more than a decade, there is a temptation to turn inward, abandoning our aid programs and the critical needs facing many of our friends in the process.

We must not succumb to that temptation. If we lay down the burden now, we will foreclose the peaceful development of many of the nations of the world and leave them at the mercy of powerful forces, both economic and political. Moreover, we will deny ourselves one of the most useful tools we have for helping to shape peaceful relationships in the most turbulent areas of the world.

Many of the nations which were once dependent upon our direct assistance for their survival are now managing their own economic and defense needs without our aid. Those nations which still need our aid will not need it indefinitely. We expect those nations we help to help themselves. We have made it clear that we do not intend to be the world's policeman, that our aid is not a substitute for their self-reliance, and that we do not intend to do for others what they should be expected to do for themselves.

But as long as there are governments which seek to change the frontiers and institutions of other nations by force, the possibility of international conflict will continue to exist. And as long as millions of people lack food, housing, and jobs, starvation, social unrest and economic turmoil will threaten our common future.

Our long-range goal is to create an international environment in which tolerance and negotiation can replace aggression and subversion as preferred methods of settling international disputes. While this goal is not as distant as it once was, present circumstances do not now permit reduction in foreign assistance. We must not only maintain our efforts, but also make special efforts in two critical areas of the world -- the Middle East and Indochina.

In the Middle East, we have an opportunity to achieve a significant breakthrough for world peace. Increased foreign aid will be a vital complement to our diplomacy in maintaining the momentum toward a negotiated settlement which will serve the interests of both Israel and the Arab nations.

In Indochina our assistance is no less critical. South Vietnam, Cambodia, and Laos are trying to make the difficult transition from war to peace. Their ability to meet their defense needs while laying the foundations for self-sustaining social and economic progress requires continued and substantial amounts of American aid.

To meet these continuing and special needs, I am proposing to the Congress a total foreign aid budget of 5.18 billion (5,180 million) dollars for Fiscal Year 1975. In my judgment, these amounts represent the minimum which the United States can prudently afford to invest if we are to maintain the present degree of international equilibrium and advance our efforts to construct a durable peace with prosperity.

Toward Reconstruction of Indochina

Another area of acute and continuing concern to this Government is Southeast Asia. Our aid in Indochina is no less crucial than our aid in the Middle East in achieving a peaceful outcome which protects our interests and reflects our past involvement in these two areas. I am asking the Congress to authorize the appropriation of 939.8 million dollars to assist South Vietnam, Cambodia and Laos in their efforts to shift their economies from war to peace and to accelerate the reconstitution of their societies.

We have already invested heavily in these countries. Progress has been significant, and we are nearing success in our efforts to assist them in becoming self-sufficient. Although our total request is higher than last year, the budget I am proposing is actually austere. We must recognize that a modest increase in economic assistance now will permit the development of viable, self-supporting economies with lower requirements for assistance within a few years.

The South Vietnamese face an unusually difficult task in reconstructing their economy and caring for their war-torn population even as the effort to end hostilities goes forward. Progress in reconstruction, economic development and humanitarian programs, which offer the hope of a better life for the people there, should make it clear that a peaceful settlement of political disputes is in the interest of all.

This year and next the South Vietnamese face several related challenges which make increased U.S. economic assistance essential:

- They must resettle more than a million refugees and displaced persons.
- They must provide the investments needed to create productive jobs for the several hundred thousand who have lost jobs with the withdrawal of U.S. forces.
- They must meet the much higher costs of such essential imports as fertilizer and other critical resources caused by worldwide inflation.
- They must provide for the orphans, the disabled, and for widows who can never recover their wartime losses.
- They must continue to support the military forces needed to preserve movement toward peace so long as hostile forces continue to be deployed within South Vietnam and supported from outside.

The South Vietnamese have made laudable efforts to solve their own problems. They have increased their taxes -- a 40 percent increase in real terms in 1973. They have expanded their exports, which were virtually eliminated by the war -- doubling exports in 1972 and again in 1973. They have sharply reduced the consumption of imported goods, including a notable reduction in petroleum. But after more than a decade of war, they cannot reconstruct their economy and their society alone. Increased U.S. assistance is needed now to support the increasing efforts of the Vietnamese to achieve peace and self-sufficiency as soon as possible.

In Laos, a peaceful political solution to the conflict is in motion and the people there can finally look forward to a secure and stable environment. The problems of resettling refugees and establishing a viable economy, however, will provide a major test of the Laotian Government's ability to work in the interests of all. Our continued assistance is essential to permit this underdeveloped, land-locked country to reconstruct its economy after so many years of war.

Continued U.S. assistance is also essential to alleviate the hardships facing the Cambodian people, many of them refugees with little opportunity to support themselves until hostilities subside.

The investment I am now seeking -- an investment to sustain the peace, to overcome the human suffering resulting from the war, and to give the people of Indochina a chance to stand on their own feet -- is small in comparison with what we have committed over the years in Indochina. But the potential return on this investment is large in enhancing the prospect of peace both in Indochina and around the world.

Development Assistance

U.S. assistance programs -- both bilateral and multilateral -- have made a very substantial contribution to the economic growth of the developing nations over the past decade.

In spite of encouraging progress, it is estimated that 40 percent of the total population in all the developing countries still remain trapped in conditions of poverty beyond the reach of the market economy. These people continue to exist below minimal levels of nutrition, literacy, and health.

It is clear that in the modern world, peace and poverty cannot easily endure side by side. In the long term, we must have peace without privation, or we may not have a durable peace at all. All that we have worked, and fought, and sacrificed to achieve will be in jeopardy as long as hunger, illiteracy, disease, and poverty are the permanent condition of 40 percent of the populace in developing nations of the world. But the progress which we have been able to help bring about thus far demonstrates that this need not be a permanent condition. Our developmental assistance continues to be needed to maintain and expand this record of progress.

To provide this needed assistance I am asking the Congress to authorize for fiscal year 1975 the appropriation of 255.3 million dollars for functional development assistance programs in addition to the 618 million dollars already authorized by last year's Foreign Assistance Act.

These additional funds will permit the Agency for International Development (A.I.D.) to assist developing nations in increasing food production. The widespread hardship caused by recent pressures on world food supplies calls for greater efforts by all to raise agricultural productivity. Population growth combined with recent crop failures in many parts of the world have led to the lowest grain stock levels in many years as well as high prices. In some cases, famine is threatening entire populations, and the world shortage of food makes it difficult to provide the assistance needed to avert tragedy. But food aid alone does not provide a solution. Developing nations must increase their own agricultural productivity, and almost 60 percent of (A.I.D.'s) development assistance programs will be aimed at achieving this goal.

We will continue to reorient our development assistance programs, as jointly endorsed by the Congress and the Administration, to concentrate more directly on acute human problems in poor countries. A.I.D. will thus focus on providing family planning and basic health services, strengthening education and other human resource programs, increasing food production, and improving nutrition.

A strong bilateral U.S. foreign aid program can be fully effective, however, only if it is complemented by continued, active multilateral assistance efforts. Pending before the Congress is legislation to authorize United States contributions of 1.5 billion (1,500 million) dollars to the International Development Association (IDA). Appropriations for those contributions will be spread over a number of years beginning in 1976...

Also pending is legislation to authorize contributions of 62 million dollars for the ordinary capital and 50 million dollars for the special resources of the Asian Development Bank (ADB). The performance of the IDA is being matched today by the newer Asian Development Bank...

Security Assistance

The security of our allies and of nations friendly to us is an essential consideration in the foreign and national security policies of the United States. Not all are capable of providing for their security, and our assistance enables those countries to assume primary responsibility for their own defense. It gives them the confidence to negotiate with potential adversaries from a position of strength and to resist subversion and intimidation. The effectiveness and wisdom of these policies is being proven today in the Middle East and Southeast Asia...

I am asking the Congress to authorize the appropriations for Fiscal Year 1975 of 985 million dollars for grant military assistance, 555 million dollars for foreign military sales credits to finance and 872.5 million dollars program, and 85.5 million dollars security supporting assistance.

Conclusion

The United States has only recently emerged from more than a decade of direct involvement in a long, bitter, and costly war. It is not remarkable that we should see a strong sentiment in the land for giving up the difficult duties of world leadership. But temporary sentiment must not obscure the long-range interest of our nation.

The percentage of America's Gross National Product dedicated to foreign assistance is small. It is less indeed than that of some other nations. But it is a wide investment, undertaken with bipartisan support in the interest of our own nation, in the interests of our historical role as a generous and courageous defender of freedom and human rights, and in the interests of world peace.

With our assistance, other nations have reached a point where they can share this burden. But we have not yet reached the point where we can safely lay it down.

The amounts I am requesting for Fiscal Year 1975 are the minimum essential to support the responsible and constructive American role of international leadership and cooperation, a role which it is in our national interest to continue and strengthen.

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	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/29/-4

NEWS ROUNDUP

VOA:

Secretary Kissinger and Soviet Foreign Minister Gromyko have ended their first round of talks in Geneva and will begin again on Monday. Dr. Kissinger stopped off in the Swiss city before heading out on a new peace mission to the Middle East. The chief topic of the Kissinger-Gromyko talks is the military disengagement between Israel and Syria. An American official told newsmen that coming negotiations with the two countries will be the most complicated, most uncertain of any in the Secretary's earlier meetings. The official said that Dr. Kissinger hopes to get, at best, Soviet cooperation separating the military forces of Israel and Syria. At least, he hoped for Moscow's understanding of these negotiating efforts. The U.S. official also said that the Soviet Union wants to maintain a visible position of influence in the Mideast and that the United States does not oppose the Soviet's desire. The Kissinger-Gromyko talks are also expected to deal with nuclear arms limitations, the European Security Conference and President Nixon's upcoming visit to Moscow in June.

Egypt's President Sadat says he believes Secretary of State Henry Kissinger will succeed in arranging a disengagement of forces between Syria and Israel. In an American television interview, President Sadat described Dr. Kissinger as a man of miracles. President Sadat warned that the current fighting along the Golan Heights could be very dangerous. He said it is necessary for all sides, including Syria, to try to reach a disengagement agreement. Sadat said he thinks chances of peace are the best they have been in 26 years. The Egyptian leader acknowledged that Egypt's warmer relationship with the United States is causing a serious strain between Moscow and Cairo. He said Egypt is only trying to balance its relationship with the two major powers.

Both Israel and Syria say their planes attacked positions of the other as the battle continued for control of strategic points. Syria said it shot down one Israeli plane and Israel said all its planes returned safely to base.

Artillery fire continued along much of the Golan Heights but neither side reported any casualties.

Former Attorney General John Mitchell and former Commerce Secretary Maurice Stans have been found innocent of all charges of conspiracy, obstructing justice and perjury. A New York federal jury deliberated for about 26 hours over four days before announcing its verdict on Sunday.

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The two officials were charged with interfering with a government investigation of fugitive financier Robert Vesco in exchange for a secret contribution to the Nixon re-election campaign. After the acquittal verdict was announced, Mr. Mitchell smiled and said he was pleased. The former Commerce Secretary reportedly wept and said that he knew he was innocent all the time but that he was glad it was confirmed in court. A White House spokesman said Mr. Nixon is very relaxed.

The White House said that President Nixon has reached a decision on how he will respond to a House judiciary committee subpoena for Watergate related tape recordings and documents. The deadline for his response is Tuesday morning. A White House spokesman said the President will provide extensive and comprehensive material to the committee for impeachment inquiries. The spokesman also said there is a possibility that President Nixon may discuss the affair in a radio and television address to the nation this week. President Nixon spent the weekend at his Camp David retreat with top aides including Ron Ziegler.

India's Prime Minister Indira Gandhi and the External Affairs Minister have arrived in Tehran for talks expanded trade and economic cooperation. Mrs. Gandhi will meet with the Shah and will have two rounds of talks. The External Affairs Minister will also meet with his counterpart.

Financial experts of the Organization of Petroleum Exporting Countries (OPEC) will open a two day meeting in Vienna Monday to discuss a new system, sources say, would take into consideration such factors as the weight of the crude oil and its geographic location.

The leader of the Portuguese Socialist Party has returned to Lisbon from exile in Southern France and was cheered by thousands of supporters.

Western News Agency reports from Leningrad that 118 persons on board a Soviet airliner were killed when it crashed minutes after taking off from Leningrad.

Evacuation operations continue in Southern Peru where a massive landslide last week buried three towns and blocked a river. Civil Defense authorities say at least 43 persons have been killed. Authorities also say some 200 persons are missing and hundreds are homeless.

A U.S. Government study charges that the Nixon Administration textile quota agreement with four Asian nations has resulted in higher consumer prices in the United States. A government study estimates that the quota has added at least 276 million dollars to the price of textiles imported from Japan, South Korea, Hong Kong and the Republic of China on Taiwan. The study also alleges that the United States promised South Korea 375 million dollars in increased foreign aid for signing the textile's agreement. The agreement was signed in 1971.

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AMBASSADOR WHITEHOUSE'S ADDRESS AT THE INAUGURATION
OF THE NEW MARKETPLACE AT BAN HOUET SAI APRIL 29, 1974

It is an honor for me to participate, once more, in a ceremony demonstrating the cooperation and coordinated efforts of our two governments.

During the past ten years, the population of Ban Houei Sai has grown considerably, and municipal services have been taxed to their limit. Many administrative services have had to be expanded, new roads built, new schools built and teachers assigned to these schools.

One factor often ignored or accepted as given in the daily life of a community is its marketplace. The market is the center around which revolve the commercial activities of a community, and it is the place where town and countryside meet to discuss, to exchange ideas, to buy, to sell, to conduct business. It is a place at once commercial and social, a place where people exchange both views and merchandise. It is there that the unity of a nation is born, and it is there where its progress is fostered.

Ban Houei Sai, because of its unique and strategic geographic position, is well qualified to become an important commercial center. This town, situated at the extreme south of Route 3, from Nam Ta, and facing Chieng Khong, in Thailand, enjoys ready access to the Thai road system to the south, and to that of Laos to the north. It is also the logical river port for barges coming from Vientiane and Luang Prabang. Ban Houei Sai therefore is an excellent position to expand, thanks to the growth of commerce and other activities in this entire northern region.

What is the connection between what I have just said and the new marketplace of Ban Houei Sai? Simply that the old market, organized in 1921, is no longer able to satisfy the current volume of commerce of Ban Houei Sai.

Originally built on a small plot of 700 square meters, the old market had grown to the point where, in the past three years, the main street leading to the market had to be closed to traffic every morning in order to handle the flow of buyers and sellers. There wasn't enough room in the immediate neighborhood of the market to permit sufficient expansion.

Aware of the necessity of constructing a new market, the Provincial Council of Houa Khong set aside this site, and the Association of Civil Servants of Ban Houei Sai donated the wood for construction. Public Works provided the sand and the gravel, and took charge of the clearing and leveling of the land. USAID, for its part, offered the services of carpenters and masons as well as construction materials. Taking into account the entirety of these donations, the total cost of the construction of this new market is 23.3 million kip. And Ban Houei Sai now has a modern, clean market, two times larger than the old one and easily accessible.

The establishment and construction of this market offers proof of the interest and the efforts of your government to satisfy the needs of the growing population of Ban Houei Sai. The aid of the United States Government, which made possible the construction of this new market, demonstrates historic and constant interest of my government in rural development and in raising the living standard of rural communities.

It is for me as well a great pleasure to participate in this inauguration ceremony, and to offer to Your Excellence, in a symbolic manner, this new market destined to serve the people of Ban Houei Sai and its environs.

(HIGHLIGHTS) KISSINGER NEWS CONFERENCE APRIL 26

Washington, April 26 -- Secretary of State Kissinger, who departs April 28 on his fifth trip in six months to the Middle East, says he is hopeful that progress can be made toward Israeli-Syrian disengagements. But he says he is reluctant to forecast that in this new round of shuttle diplomacy a final solution will be reached for separating Israel's and Syria's forces.

In a wide-ranging news conference April 26, he said with considerable emphasis that another U.S.-Soviet Union agreement on limiting strategic arms will not be rushed to take the spotlight off domestic debate over Watergate.

Dr. Kissinger also strongly urged Congress to adopt President Nixon's new foreign aid package.

He said that as of today the United States opposes a Cuban presence at the next informal meeting in March of U.S., Latin American and Caribbean foreign ministers.

These are the highlights of the Kissinger news conference:

Middle East -- The Nixon request for 907.5 million dollars in new foreign aid funds for that area reflects "one of the most difficult, but also one of the most hopeful developments of the past year."

The aid request is "an attempt to take account of the fact that for the first time in decades we can address the question of the peaceful evolution" in the Middle East.

The 250.7 million dollars requested for Egypt represents the Nixon Administration's assessment "that Egypt is sincerely attempting to bring about a constructive and peaceful solution to the problems of the Middle East."

There have been "no discussions" with Syria about a similar economic aid program. But "if there is an agreement on separation of forces between Syria and Israel," Washington wants to be in a position to make an economic aid contribution to the Syrians.

Dr. Kissinger voiced hope that the Soviets "will play a constructive role" in helping bring about Syrian-Israeli disengagement. "On disengagement.. the Soviet role has not been unhelpful," he said.

Asked if he expects fighting to continue on the Israeli-Syrian front while he shuttles back and forth between the two countries next week he said he hopes "both sides will exercise great restraint while the negotiations are in process... I do not forecast that this next round will necessarily bring a solution... But we do hope to make some progress" on disengagement.

He said he also hopes to visit Jordan and possibly one or two oil-producing countries on his upcoming trip.

SALT -- Dr. Kissinger disclosed that he had held a lengthy meeting earlier in the day with Senator Henry Jackson who has voiced fear that the Administration is aiming for a "quick fix" SALT agreement with Moscow in time to sign when President Nixon makes his projected trip to the Soviet Union in June.

The United States, Dr. Kissinger stressed, "will not rush on agreement in order to complete it by the summit. But we will not fail to complete an agreement simply because the summit coincides" with a domestic debate on Watergate.

The United States, he reaffirmed, "will not play with" nuclear strategy which affects its own and the security of other nations.

He said he will talk about SALT with Soviet Foreign Minister Andrei Gromyko April 28-29 in Geneva. He said he would not give Mr. Gromyko a "detailed American counter proposal" to the proposals he got from the Soviets in Moscow last month.

"But I will present to him various considerations that if he considers...worthy of discussion could lead to an American counter proposal."

Latin America -- Dr. Kissinger said the multilateral "economic denial program" against Cuba remains viable. He said the U.S. decision to issue licenses for U.S.-owned automobile manufacturing companies in Argentina to export products to Cuba simply reflects a move to help those companies comply with Argentina's laws.

Asked if a U.S. Secretary of State could sit with Cuba in an informal meeting of inter-American foreign ministers at Buenos Aires in 1975, he said "if we had to vote on it today our (U.S.) vote would be negative."

Indochina -- Endorsing the Administration's request for 939.8 million dollars in aid funds for South Vietnam, Cambodia and Laos, he said.

"We have a history in Indochina in which many American lives were lost and much American treasure was spent. We are not in a position where in that area...there are hopeful prospects of a transition from war to peace, and where all the efforts of recent years may hinge on sums that are relatively small in proportion to the total effort that has been made."

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(EXCERPTS) FORD CALLS INFLATION 'WORLD PUBLIC ENEMY NUMBER ONE'

White Sulphur Springs, West Virginia, April 26 -- In an address to the American Bankers Association at White Sulphur Springs April 26, Vice President Gerald Ford labelled inflation "World Public Enemy Number One" and described it as "a cancer that could cause a lingering death for the industrialized world."

To help bring inflation under control, Mr. Ford said, the U.S. government is prepared to go the "hard ways -- including reduction of its expenditures, imposition of a restrictive monetary policy, and pursuit of "new avenues for world-wide action to control commodity markets and prices." In particular, he said the proposed U.S. Trade Reform Act "must be passed so the President may negotiate elimination of barriers to trade."

"New and innovative ways" must be found to deal with the problem, the Vice President said, and "primary is the recognition that inflation is a worldwide disease which must be diagnosed and controlled."

Inflation has become World Public Enemy No. 1. If atomic war could be described as a potentially fatal stroke afflicting all humanity, then inflation may be termed a cancer that could cause a lingering death for the industrialized world. Unless something is done, the cancer of inflation could prove fatal.

The inflation rate in the United States last year was about ten percent. This was the highest rate since 1950. Food and energy prices accounted for two-thirds of the rise. Last month the rate was running in excess of 13 percent. It is part of a global plague.

Look at the rates in other countries -- Japan with a rate of 23 percent; Britain, 12 percent; West Germany, seven percent; Italy, 20 percent; France, 12 percent; Greece, 33 percent; Switzerland, 12 percent; Yugoslavia, 22 percent. Whether you look at Communist countries or conservative Switzerland, the disease is rampant. The United States has done better than most countries, but all of them are infected...

World inflation must be fought. It must be brought under control. We have heard many discussions of its causes. Not all economists agree. But, all economists never agree. I think there are some clear reasons for the inflation we face. These, among others, have a significant effect.

First, more people are dipping into a limited pot. Natural resources are limited at any one time. As more people try to emulate the American standard of living, the increased bidding for their resources increases prices. This demand has been further augmented by natural resource nations enforcing higher prices on basis commodities...

A second reason for inflation...is the war in Vietnam. The Administrator inherited an under-financed war. We tried to have both guns and butter, and it didn't work. The cost had to be passed on through government deficits and inflation. Although the war is over, our unsound fiscal policies of that era are still haunting us.

A third reason: lack of reality in foreign exchange rates. All during the late 50's and 60's the United States shipped paper dollars abroad and imported Volkswagens and and Sonys in exchange. The rest of the world has now decided to cash in these dollars at the new and more realistic rates. They are increasing their own standards of living. They are importing American wheat, not paper dollars. So prices rise.

Finally, the most important reason for our present record rate of inflation: The inability of free-economy governments around the world to solve the problem of full employment without inflation...

No one claims to have the complete answer. But as a citizen, facing this problem every day as all of you are, I know we need solutions. I'm confident we will find them if we clearly identify the problem as our number one concern.

Controls are now being dropped. Temporarily, they were helpful, but they promise -- as they have in the past -- to be no long-range solution. Controls should be put on a "stand-by basis," for temporary use only.

This Administration now is dedicated to finding new solutions. It will be a long and difficult effort. It will require public support and a willingness to go the "hard way." The "hard way" means:

Resisting the easy road of a "quick fix" by a tax cut that means more, not less, inflation.

Reducing consumption. One result of the energy crisis has been a discovery of the virtues of reduced gasoline consumption by many of our citizens. Reduction of wasteful use of resources will help control inflation. We have learned that less driving resulted in fewer accidents, more home life, more use of our city parks and museums, and other unforeseen benefits. A conscious effort by all citizens to avoid wasteful use of resources will help control inflation.

Also, the "hard way" will mean refusal to panic or to hoard. We must guard against the temptation to buy for quick gain and beyond our need.

The hard way will require us to retain our confidence in the free market system. Its ability to increase production and restrain prices has been proven in the past.

Much of our history reflects our capacity to produce more than we can consume. Our free economy system can do this again. The recent turn-around in the United States agricultural production is good evidence of this capability.

And Government, too, must take the "hard way." It must control expenses. Inflation is first of all a problem where governmental action is essential, where national government must be the prime mover. This includes both the legislative and executive branches. A much-needed governmental action is the prospective passage of the Congressional Trade act which will give Congress a powerful tool in controlling excess expenditures.

The Administration must, and will, continue its efforts to reduce, delay, and cut back expenditures at the federal level. This is not an easy job when so many desirable programs are suggested and the needs of the people are so clear.

Government's "hard way"... (calls for a) restrictive monetary policy that means, among other things; the discipline of high interest rates.

Government's "hard way" also includes some hard thinking on new and innovative ways to meet our inflation problem. The first quarter of 1974, with a five percent drop in GNP (Gross National Product), and a ten percent inflation rate, makes it imperative that we come up with some new and better ideas. We must find ways to increase production and meet any problem of unemployment caused by economic restraint. New avenues for world-wide action to control commodity markets and prices are needed. Secretary Kissinger is already at work in this field.

Alternative and innovative financing methods must be developed to prevent high interest rates which result in reduced housing production.

The tax and regulatory systems must be used to increase production in industries where shortages exist.

The Trade Reform Act must be passed so the President may negotiate elimination of barriers to trade. These barriers presently cost the United States several billion dollars a year in the form of higher consumer prices and the inefficient use of resources. Freer world trade will mean lower consumer prices and more and better jobs here at home.

Further study on the relationship of inflation and unemployment is needed. New thoughts and better solutions are required.

Primary is the recognition that inflation is a worldwide disease which must be diagnosed and controlled. This is much more important than Watergate or even our energy problems. Inflation, unchallenged, is a major threat to our free economy and our form of government. It must be controlled.

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U.S. WILL CONTRIBUTE \$50,000 TO ICC/LAOS

Vientiane, April 29 --- The United States Government will make a contribution of \$50,000 to the ICC/Laos April 29, 1974.

This contribution closely follows formation of the Provisional Government of National Union and serves to express United States support for Prime Minister Souvanna Phouma's policies of restoring peace and national reconciliation in Laos.

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ຂ່າວສຳພັນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

4/30/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Former Attorney General John Mitchell and ex-Commerce Secretary Maurice Stans were acquitted Sunday in New York of all charges in their criminal conspiracy case, thus ending the first trial of former cabinet officials since the Teapot Dome scandal. A jury of nine men and three women deliberated 26 hours over four days to reach a verdict clearing the two men of all charges of criminal conspiracy, obstruction of justice and lying to a grand jury.

The Supreme Court agreed to decide whether President Nixon acted within his powers in withholding nine billion dollars appropriated by Congress for water pollution control. The Court will review next term a Court of Appeals decision striking down the impoundment of the funds by Russell Train, administrator of the Environmental Protection Agency, who acted on the President's orders. It was the first impoundment case to be brought before the Supreme Court by the government. It turns on statutory rather than constitutional grounds.

Senator Charles Mathias said he plans to introduce legislation to put strict limit on government snooping into affairs of private citizens. While the House Judiciary Committee continues hearings into wiretapping and electronic surveillance, Mathias said he would submit this week a bill to prohibit "any interception of communication, electronic surveillance, entry of dwellings, mail openings, inspecting or procuring the records of telephone, bank, medical or any other business or private transaction of any individual without a court order."

The General Accounting office told Congress that the federal government has failed to deal adequately with increasing and threatening shortages of vital commodities and raw materials. "The Government's decision-making process for commodities that are in short supply is essentially ad hoc and crisis-oriented," The GAO said in a 265-page report. It said lack of long-range planning and preparation, fragmented and overlapping responsibilities and a failure to read warning signs correctly have helped create serious economic, social and political problems for the United States.

ELSEWHERE IN THE WORLD:

The Israeli and Syrian air forces went into action on Mt. Hermon in the 49th consecutive day of fighting on the Golan Heights front. Israel said it shot down four Syrian planes and Syria reported destroying one Israeli phantom jet.

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President Anwar Sadat called Secretary of State Kissinger "a man of miracles." He said he thinks Kissinger will make another miracle by arranging a cease-fire between Syria and Israel. On ABC-TV's "Issues and Answers" taped in Egypt, Sadat said he thinks Kissinger will succeed in arranging a Syrian-Israeli cease-fire on his current Middle East trip. Sadat also said Kissinger is a man who knows the full details about the problem and who is a man of trust and vision."

The House voted 733,759 dollars more for the Judiciary Committee impeachment investigation and chairman Peter Rodino said he hoped to wind up the inquiry by June 30.

Dow Jones closing stock averages: 30 INDUS 835.42 UP 0.78
20 TRANSP 187.08 OFF 0.43
15 UTILS 77.04 OFF 1.47
65 STOCKS 254.99 OFF 0.68
VOLUME: 10,170,000 SHARES.

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STATE DEPARTMENT BRIEFING (HARE) APRIL 29

Laos -- At the midday State Department April 29 briefing, spokesman Hare was asked if North Vietnamese troops are moving out of Laos in accordance with the agreement pertaining to that country. He had no immediate information. The following reply to the question was posted in the State Department Press Office during the afternoon:

"We have been no indication of any significant movement of North Vietnamese troops out of Laos since the establishment of the Provisional Government of National Unity. Under terms of the Laos accord, all foreign troops are to be out of the country within 60 days; e.i., June 4."

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DEFENSE DEPARTMENT BRIEFING (FRIEDHEIM) APRIL 29

Vietnam -- In answer to questions, the spokesman said an April 28 report that North Vietnamese tanks had been used in the Mekong Delta area of South Vietnam "appears to be correct" and that it "would be the first time tanks would be seen employed in the.... area."

The appearance of the tanks, he said, "is an indication of what people expected all along, that the supply system of the other side is working, and getting supplies into the South."

However, he said, it does not change the Defense Department's assessment of what the Communists are likely to do in the upcoming dry season in Vietnam. "We do not expect a major nation-wide attack," Friedheim said, but it would not be "surprising" if there were "some local activity."

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(TEXT) COMMUNIQUE ON KISSINGER-GROMYKO MEETING IN GENEVA

Geneva, April 30 -- In a joint statement issued April 29, Secretary of State Kissinger and Soviet Foreign Minister Gromyko said they have agreed "to exercise their influence toward a positive outcome" of negotiations on a Middle East settlement and the next phase of those negotiations, and they said they would "strive to coordinate their efforts for a peaceful settlement."

The statement, which covered their talks in Geneva April 28 and 29, said both sides believe "a number of agreements designed to broaden (U.S.-Soviet) cooperation" will be prepared for conclusion at President Nixon's forthcoming summit meeting with Soviet leaders in Moscow.

The statement said both sides considered the Geneva meetings to have been "valuable."

Following is the full text of their communique:

(Begin text)

Foreign Minister Gromyko and Secretary of State Kissinger met on Sunday, April 28 and Monday, April 29 in Geneva for a full review of questions of mutual interest to the United States and the Soviet Union. The discussions were conducted in a friendly and constructive spirit. Both sides expressed their determination to pursue the political course that has been firmly established in their relations, and which has found expression in the results of earlier Soviet-American meetings at the highest level for the benefit of their peoples and peace in the world.

In the course of their meetings the Minister and the Secretary exchanged views on various questions relating to the preparations for the forthcoming visit to the Soviet Union of President Nixon. It was agreed that a great deal has been accomplished in the preparations for the visit. The two sides expressed the conviction that a number of agreements designed to broaden cooperation between the United States and the Soviet Union, to further reduce the danger of war and strengthen international peace will be prepared for conclusion at the summit meeting.

In particular, there was also a review of the negotiations on limitation of strategic arms and the two sides agreed to pursue their efforts toward agreement.

The Minister and the Secretary exchanged views on the current status of the negotiations of the Middle East settlement and on the next phase of these negotiations. The two sides agreed to exercise their influence toward a positive outcome and to remain in close touch with each other so as to strive to coordinate their efforts for a peaceful settlement in the area. Both sides expressed themselves in favor of the resumption of the work of the Geneva Peace Conference on the Middle East at an early date.

They also reviewed the work of the conference on security and cooperation in Europe. The two sides reaffirmed their positions in favor of its successful conclusion as soon as possible.

Both sides consider the talks to have been valuable and welcomed the fact that discussions of this kind have become a regular practice of U.S.-Soviet Relations.

(TEXT) KISSINGER URGES ACTION ON FOOD AND POPULATION

United Nations, April 29 -- U.S. Secretary of State Henry Kissinger has urged all countries which can to work actively to bring population growth and food production into better balance.

In a letter to U.S. Secretary General Kurt Waldheim released April 29, Dr. Kissinger praised last week's declaration on the subject by a group of distinguished scholars from around the world.

The full text of the letter follos:

(Begin Text)

The declaration on food and population presented to you today vividly portrays the connected global problems of food supply and rapid population growth.

It is a timely call by distinguished citizens of many countries for urgent attention to two central problems of human welfare. It recognizes that in this increasingly interdependent world there is no acceptable alternative to nations working together to solve global problems of which food and population are among the most pressing. It reminds us that the individual nations and the United Nations must approach the world population conference and the world food conference with the determination to seek and agree on common approaches.

As I stated in my address to the special session of the General Assembly, the United States will do its part. We strongly support a global cooperative effort to increase food production and have removed all domestic restrictions on our output. We will endeavor to increase the quantity of our food aid to needy countries, give technological and material help to efforts of developing countries to expand their food output, assist in the production of more fertilizer and its more effective use, and joint other governments in a world-wide effort to rebuild food reserves.

We hope that other countries able to do so will make similar contributions and that all countries will take active measures to bring population growth and food production into better balance.

The food and population crises threaten the welfare and stability of peoples and nations. We must act together with the purpose, the mutual confidence and the determination to overcome them.

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SCHOLARS URGE ACTION ON FOOD, POPULATION

United Nations, April 25 -- Warning that "hundreds of millions of the world's peoples are under-nourished," one thousand distinguished citizens from around the world have called for action on the twin problems of population growth and food production.

The statement, by scholars and scientists of ninety-four nations, was delivered to U.N. Secretary General Kurt Waldheim April 25.

No link unites the family of man more than his need for food. For food is an essential condition of life, common to all people; wherever they are, whatever they do, they share alike in this need.

The stark truth is that man's ability to produce food is not keeping pace with his need. Despite efforts by governments and the international community to solve world food problems, more people are hungry today than ever before.

Hundreds of millions of the world's peoples are undernourished. Population growth is adding 75 to 80 million more people each year, 200,000 each day. Within the next 25 years or so our present numbers of nearly 4,000 million will be nearly 7,000 million. They must all be fed.

The world food situation took a sharp turn for the worse in 1972 and 1973.

1. Stocks of grain have hit an all time low since the end of World War Two. Surplus stocks formerly held in reserve have nearly been exhausted and no longer offer security against widespread hunger and starvation.

2. Food prices have reached new highs. Last year, despite a record world harvest, escalating demand nearly doubled grain prices.

The increasing cost of food threatens to cause serious hardship for many people already spending most of what they have on food.

3. Less of the cheaper protein foods, which normally supplement grain diets, is available. The world's fish catch and per capita production of protein-rich legumes the staple diet in many countries, have declined.

4. Food shortages have created serious social unrest in many parts of the world and are particularly severe in countries where hunger and the diseases that thrive on undernourished bodies are prevalent. This scarcity has been aggravated by the consumption of more and more grain to produce meat, eggs and milk.

5. Mounting fertilizer and energy shortages are reducing food production in certain areas and increasing food prices.

In this new and threatening situation, a bad monsoon in Asia (which could occur in any year), or a drought in North America (like those in the 1930's and 1950's), could mean severe malnutrition for hundreds of millions and death for many millions.

This dangerously unstable world food picture, when seen against an unprecedented population increase, has created an immediate sense of urgency. The dangers of food shortages could remain a threat for the rest of this century -- even if, hopefully, bumper crops in some years create temporary surpluses and even if the trend toward reduced birth rates becomes general throughout the world.

World food production in the years ahead must rise at least two percent a year to keep pace with the present rate of population growth. But it must rise a good deal more if the world's people are to be provided with an adequate diet. This required annual increase in food production is considerably greater than that which occurred during recent decades and seems to be increasingly harder to achieve each year. But unless there is this necessary and continuous increase in food production, there will be even more hunger and malnutrition and soaring food prices.

The United Nations is now providing leadership on both these problems. In August the United Nations will convene the World Population Conference in Bucharest. In November it will convene the World Food Conference in Rome. These are the first occasions when governments have agreed to meet to consider these crucial questions and to consider taking action on them.

With these two conferences only a few months away, we urge government acting before, at, and after these two global conferences, to consider realistic and purposeful measures such as the following:

1. Give high priority to programs in each country which will increase the production of grains, legumes and other staple food crops; ensure the availability of protein-rich foods, particularly to the more vulnerable population groups; expand the production of fertilizer; and improve the opportunities for small farmers to make a reasonable living. Develop a comprehensive and constructive world food plan for adoption at the World Food Conference.

2. Support sound population policies relevant to national needs which respect national sovereignty and the diversity of social, economic and cultural conditions; accept and assure the human right of each couple to decide for themselves the spacing and size of their families; and recognize the corresponding responsibility of governments to provide their peoples the information and the means to exercise this right effectively; embody these policies in a world population plan of action to be agreed upon by governments at the world population conference.

3. Recognize that the interdependence of the world community creates an obligation to assist in the necessary funding of food and population programs by both developing and developed countries. This calls for the elaboration and implementation of a global strategy by the United Nations and its family of agencies, including the Food and Agriculture Organization of the United Nations and the United Nations Fund for Population Activities.

4. Establish sufficient food reserves through national and international efforts to provide continuing vital insurance against food shortages.

5. Recognize that, in our finite world where resources are limited, the family of man must one day, and hopefully fairly soon, bring birth rates into reasonable balance with the lowered death rates that have been achieved. Many governments see the need to guide national policy toward this objective.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	16 meter band	17790 kHz	0700-0900 local
	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	
	31 meter band	9545 kHz	
	49 meter band	6185 kHz	0500-0600 local
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		15210 kHz	
		15155 kHz	
	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/3/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Cost of Living Council Director John Dunlop has warned several hundred companies to honor past promises to hold down prices even though the government's stabilization program expired.

The Senate by a vote of 57-31 defeated new standby control authority, but voted 44-41 to extend monitoring and enforcement authority.

Dock workers went back to their jobs at west coast ports while their Longshoreman's Union demand for a pay increase is negotiated with shippers.

A number of U.S. firms, disregarding government pleas to keep prices down, hiked prices on products such as copper, steel, light bulbs, vitamins, etc.

Attorneys for Lt. William L. Calley, Jr. have requested a hearing before President Nixon to argue that Calley's record be cleared in the 1968 My Lai massacre.

The Senate passed and sent to the White House a bill creating the Federal Energy Administration to take over duties of the temporary Federal Energy Office. The House passed the bill Monday.

The House Judiciary Committee unanimously voted to allow live television coverage of its hearings when it starts taking evidence in its impeachment inquiry. Meanwhile, presidential counselor Dean Burch said the White House would have no objection to live TV coverage.

The Securities and Exchange Commission charged the Penn Central Railroad and a number of its key executives with engaging in a massive fraud to conceal railroad losses and deceive stockholders.

Portuguese leader Antonio de Spínola conferred briefly with U.S. Ambassador Stuart N. Scott at the envoy's request. Scott was the first major diplomat to see Spínola since the overthrow of the Caetano regime last week.

The Soviet government suddenly withdrew invitations to hundreds of western scientists for the 250th anniversary celebrations of the Soviet National Academy of Sciences. Foreign diplomats said the action was apparently aimed at heading off embarrassing discussions on intellectual freedom and Jewish emigration.

In Teheran, Indian Prime Minister Indira Gandhi ended a five-day visit to Iran with announcement of a number of joint ventures between the two countries, including establishment of a shipping line.

The White House announced that President Nixon will reject the conclusion of the House Judiciary Committee that his 1,200 page transcript did not fulfill its subpoena for 42 Watergate tapes. Deputy Press Secretary Gerald Warren said he did not know whether Mr. Nixon had received a committee letter citing him for failure to comply.

The Maryland Court of Appeals Thursday disbarred Spiro T. Agnew from the practice of law.

President Nixon has nominated Vice Admiral Harold Shear for promotion to admiral and assignment as Commander in Chief of U.S. Naval Forces in Europe.

White House Staff Chief General Alexander Haig refused to answer questions before the Senate Watergate Committee. Haig produced a letter from the President telling him not to testify.

The Department of Agriculture urged restraint in the use of export controls for agricultural commodities, telling a Senate Banking Committee that any legislation dealing with export controls should continue to give the Secretary of Agriculture authority for controls.

W.J. Usery, Jr. Director of the Federal Mediation and Conciliation Service, asked independent truck drivers not to join another threatened nation-wide shutdown of trucks May 13th.

Dow Jones closing stock averages: 30 INDUS 851.06 OFF 2.82
20 TRANSP 175.84 OFF 0.61
15 UTILS 78.22 UP 0.93
65 STOCKS 259.84 OFF 0.34
VOLUME: 13,620,000 SHARES.

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WASHINGTON ECONOMIC NEWSLETTER

OUTLOOK FOR OIL

The Center for Economic and Social Information, a United Nations Institute in Geneva, has advocated accelerated development of oil resources in the developing countries; establishment of more refineries; regional cooperation in assuring energy supplies, and long-term arrangements with producer countries as means of insuring essential supplies of petroleum. "Any solution to the energy crisis in the developing world will have to involve cooperation of a level rarely, if ever, attained heretofore by the international community," says a report by the Center in the March issue of Environment Magazine.

-- U.S. Treasury Secretary George Shultz told the annual meeting of the Asian Development Bank in Malaysia that he thought petroleum prices would be "somewhat lower" by the end of the year.

-- Earnings from the sale of petroleum are beginning to flow back into international markets and the accumulation of "oil dollars" has not been overwhelmingly large, according to Otmar Eminger, chairman of a working group of the Organization for Economic Cooperation and Development. At a mid-April meeting in Tokyo, Dr. Eminger said the group had invited OPEC, the Organization of Petroleum Exporting Countries, to join it in a study of various technical matters regarding the flow of oil funds.

STEIN SEES INFLATION EBBING

Dr. Herbert Stein, Chairman of the President's Council of Economic Advisors, told the Malaysian American Society in Kuala Lumpur that "we have not irretrievably entered into an era of inflation." He disagreed with complaints from around the world that inflation is generally imported, saying "a country's inflation isn't entirely due to imported inflation; domestic inflation is notable in its effect on the economy." He predicted that inflation in the U.S. would drop from ten or eleven percent to about half that rate. Dr. Stein was attending the Asian Development Bank meeting.

MORE TECHNICIANS FOR ASIA

The first regional college in South and Southeast Asia devoted solely to the education and training of technicians is being set up with financial support of all 27 member countries of the Colombo Plan. A budget for the college was adopted April 23 at a meeting in Colombo, Sri Lanka, by representatives of Australia, Indonesia, Japan, The Khmer Republic, The Republic of Korea, Malaysia, New Zealand, The Philippines, Singapore, Thailand, Republic of Vietnam, United States, Britain, Bangladesh, Canada, India, Iran and Pakistan.

RESTRICTIONS ON RAW MATERIALS TERMED FUTILE

Foreign Minister S. Rajaratnam of Singapore, in a speech to the Pacific Basin Economic Council on April 28, said formation of cartels by third world countries was unrealistic and attempts to restrict supplies would fail. The New Nation of Singapore newspaper, reporting the speech, said in an editorial: "It would be a serious miscalculation if other primary producing countries (apart from the oil producers) also felt that they could exact money and respect from the industrial world if they formed cartels," the newspaper said. "What may happen in sum total is an eventual farce, in which prices of all items move up radically but no country really makes any more profits or enjoys greater economic leverage."

SHULTZ WARNS OF CURBS ON SUPPLIES

Speaking to the governors of the Asian Development Bank meeting in Kuala Lumpur, U.S. Treasury Secretary George Shultz said:

"... We must be conscious of a new threat to free trade from action to restrict supplies....we are disturbed by some tendencies we see at work to restrict the supplies made available to the world influencing world prices or through export taxes and other restrictions aimed at insulating domestic markets from the general upward trend of primary product prices."

U.S. CAN MEET DEMAND FOR FARM PRODUCTS

The United States has excess agricultural capacity that enables its farmers to produce far more than its own people need, Assistant Agriculture Secretary Clayton Yeutter said in a speech in Arizona. The U.S. expects to produce about 6,700 million bushels of maize in 1974 and to use about 5,000 million bushels at home. Wheat production is projected at 2,100 million bushels; fewer than 800 million will be needed domestically. Production of soybeans in 1974 is expected to be about 1,500 million bushels; slightly more than 900 million bushels will be used in the U.S. the excess of each crop is available for export.

FOREIGN FIRMS SEEK OFFSHORE OIL IN BURMA

Burma's state-owned Myanma Oil Corporation has contracted with a group of foreign based oil companies to carry out the exploration and production operations in some of Burma's offshore areas in the Gulf of Martaban and the Bay of Bengal. The Burmese government is sole owner of such oil resources. If petroleum is discovered and produced in commercial quantities the contracting firm recovers its expenditures and the remainder of the sale proceeds are divided between the contractor and the government of Burma in agreed upon percentages. The firms are Martaban-Cities Service, Inc.; Robina Oil Company; and Burma Sun Oil Company.

TAIWAN BOOM ATTRACTS FOREIGN BANKS

Foreign trade of the Republic of China amounted to the equivalent of 1,690 million dollars in the first two months of 1974 -- a figure 84.6 percent above the same period of 1973. The boom is encouraging more foreign banks to establish branches on Taiwan, according to U.S. News and World Report. Two American banks are among four firms recently approved for doing business in Taipei; five other American banks already function there. American firms are entering joint ventures and contracting to supply electric locomotives, steel plates for shipbuilding and other items.

U.S. ECONOMIC INDICATORS

The U.S. Gross National Product declined in the first quarter of 1974, at an annual rate of five point eight percent -- the sharpest decrease since 1958. The nation's foreign trade account suffered a slight deficit in March, the first in nine months. However, the U.S. Commerce Department reported April 26 that its composite index of leading economic indicators increased one point seven percent in March, the third consecutive monthly gain. And the magazine U.S. News and World Report said at the end of April: "indications that the outlook is improving are fairly plentiful....businessmen are continuing to add to inventories... shortages of some raw materials are easing.... manufacturers are still spending to expand their plant and equipment at a record pace....retail trade is holding up fairly well.... business profits are holding up surprisingly well." At the same time, a Wall Street Journal Tabulation of 639 companies showed that their after-tax profits in the first quarter of 1974 rose more than 16 percent above the comparable period in 1973.

...AND THE VIEW FROM OVERSEAS

Most leading European and Japanese government and business executives interviewed by the American magazine, Nation's Business, were optimistic about U.S. economic prospects. According to the April issue of the publication Britain's Lord Carrington said: "I would confidently say that America is on the way back already." Toru Cho of Japan was quoted as saying: "the coming year will see a global resurgence of faith in the U.S. economy." Franz Josef Strauss of West Germany: "I believe the future of the world is dependent on the U.S." Pehr Gyllenhammar of Sweden: "The U.S. has vitality, new ideas...." Herve Alphano of France: "The positive facts about America's future are the infrastructure, military strength and enormous energy supplies."



ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/8/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

President Nixon signed legislation Tuesday formally creating the Federal Energy Administration, succeeding the Federal Energy Office he established last year by executive order. The Agency is the main administrator of federal energy programs, including allocation of gasoline to the states.

Senator Kennedy said he would like to be president, but if he had to decide today whether to seek the presidency in 1976, the decision would be not to run.

White House Counsel James St. Clair told newsmen May 7 President Nixon would not provide any more Watergate tape recordings to the House Judiciary Committee or to the Special Watergate Prosecutor. Mr. St. Clair said the President believes he has done more than enough and has told the complete Watergate story with release of edited transcripts covering 3 hours of conversations between Nixon and some of his top aides. Mr. St. Clair said that if the House Judiciary Committee subpoenas additional Watergate recordings, the subpoena "will not be honored." The President, he added, "is firm and is resolved." Mr. St. Clair said the President believes the House Judiciary Committee has enough material on the ITT and Milk Fund controversies, but if a request were made for additional data, he said he would review material and if it is relevant would recommend that the President furnish it to the committee.

ELSEWHERE:

The scandal over a communist spy in his inner circle swept Chancellor Willy Brandt out of office. Hours after resigning early Tuesday, Brandt asked his Social Democratic parliamentary party to nominate his political deputy, Finance Minister Helmut Schmidt, for the chancellorship. Democratic deputies unanimously approved the proposal.

Israeli and Syrian gunners dueling on the Golan Heights for the 57th day but there were indications that the fighting was less intense than in the previous eight weeks.

At the Geneva arms talks, Sweden called on the United States and the Soviet Union to agree to stop testing nuclear weapons underground.

Closing Dow Jones averages: 30 INDUS 874.15 UP 2.27
20 TRANSP 172.70 OFF 0.43
15 UTILS 78.00 OFF 0.32
65 STOCKS 275.84 UP 0.12
VOLUME: 10,710,000 SHARES.

USAID DISTRIBUTION: B&F

CONGRESSIONAL NOTES FOR MAY 7

Military aid to South Vietnam -- The Senate voted 43 to 38 on May 6 not to permit the Defense Department to spend an additional 266 million dollars this fiscal year for military aid to South Vietnam and Laos. The vote accepted an amendment by Senator Kennedy to the supplemental military procurement authorization for fiscal year 74. The Senate then went on to pass the total supplemental bill by voice vote, authorizing 415 million dollars for various defense programs. The bill now goes to conference with the House and according to reports the Administration will try to persuade the House conferees to reject the Kennedy amendment.

European Economic Community -- In a floor statement May 7, Senator Herman Talmadge charged that the EEC "has failed to meet its responsibilities" under GATT. International trade rules, he says, require that expanding economic unions "should compensate outside countries for any diversion of trade." In the case of the United States, he said, EEC trade diversion amounts to over 1,000 million dollars. "Despite our potential loss of grain, tobacco, citrus and other exports to the community," Talmadge said, "the Common Market has made no serious effort to offer reasonable concessions."

EXIM Bank -- The Senate has adopted, 43-33, legislation introduced by Senator Richard Schweiker to halt a pending EXIM Bank application for a 49.5 million dollar loan for Siberian energy exploration. Schweiker called the loan "the first step of a multi-billion dollar authorized American investment in Siberian energy exploration and production."

Energy -- Senate committees will shortly begin consideration of a House bill appropriating 2,270 million dollars for federal energy research and development programs, laying the groundwork for efforts that President Nixon says are needed to make the United States self sufficient in energy by 1980. The measure is 61 million dollars more than requested and nearly 1,000 million dollars more than spent in FY-74 for these purposes.

Terrorism -- The House Internal Security Committee is holding hearings this week and next on international terrorism. Among the witnesses expected are Ambassador Lewis Hoffacker, head of the working group for a Cabinet-level committee chaired by Secretary Kissinger, and retired Ambassador C. Burke Elbrick, who, while U.S. Ambassador to Brazil, was the victim of a political kidnapping by terrorists in 1969.

PRC archeological exhibit -- A major result of the cultural exchange agreement negotiated last year by Secretary of State Kissinger during a visit to Peking will be a six-month U.S. tour of a Chinese archeological exhibit, following its appearance in Canada. On May 7 the House passed a bill already approved by the Senate authorizing the Secretary of State to negotiate an indemnification agreement with the People's Republic of China, valuing the objects at 51.3 million dollars.

Senate elections -- The first primaries affecting the 34 Senate seats up for election this year are being held May 7 in two states. In Ohio newly appointed incumbent Howard Metzenbaum is pitted against former astronaut John Glenn in Democratic balloting. In North Carolina there is a three-way Democratic race for the seat of retiring Sam Ervin. And in Alabama Democrat James B. Allen is seeking renomination. A New York Times study sees Republicans "hard pressed" to maintain their 42 Senate seats in November, and Democrats "nowhere near" a ten-seat gain to 67 to create a "veto-proof" Senate.

WHITE BRIEFING GERALD WARREN

South-Vietnam -- Warren said the White House is "deeply disappointed" in the Senate vote on military aid to Saigon. The funds rejected by the Senate -- a 266-million dollar addition to the 1974 authorization for military aid to South Vietnam -- are "needed to preserve the military equilibrium" of South Vietnam, Warren said, "an equilibrium achieved at great cost to the United States" and essential to stability in Southeast Asia.

Warren said that since the ceasefire accords were signed, Hanoi "with outside assistance has illegally infiltrated more than 120,000 men and illegally infiltrated large amounts of tanks, artillery, missiles and other equipment." He described this infiltration as "illegal and in violation of the accords." "We believe," Warren said, "that whether or not we adequately support South Vietnam in its efforts to counter this growing threat will be an index of our reliability to our allies and should that reliability thus be called into question, the global effects could be most dangerous to our national security."

Asked if the 120,000 figure represented an addition to North Vietnamese forces or a rotation of troops, he said he had not asked whether it represented "movement back and forth." Asked if South Vietnam is "in jeopardy," he replied that the "funds requested are needed to maintain equilibrium" and said he was not making judgements.

He said the Administration hopes the Senate action will be reversed but he would not provide a legislative forecast on prospects in the house. Asked if the President is concerned with "South Vietnamese troops crossing into Cambodia," Warren replied that he had pointed out "our reading of the extent of North Vietnamese violations." He said it is the Administration view that South Vietnam has the "inherent right" to defend itself.

SCHLESINGER OUTLINES U.S. POLICIES FOR PEACE

The May 13 issue of "U.S. News and World Report" carries an exclusive interview with Defense Secretary James R. Schlesinger. In it he reiterates his arguments for a strong stand vis-a-vis the Soviet Union and the need to maintain U.S. troops in Europe. But he also propounds new theories on relations with the People's Republic of China and on military aid to Egypt.

Following are excerpts from the interview:

(Begin Excerpts)

Question: Why doesn't our new relationship with Russia permit the United States to cut back (on its military expenditures)?

Answer: The notion that detente permits us to disarm is a widespread illusion. Nonetheless, it is an illusion. It is necessary to maintain a worldwide military balance as the underpinning of detente. Detente rests on an equilibrium of force.

Q. How do you measure strategic advantage?

A. Whether military or military-political options are open to one side which are not open to the other side.

Q. Is that the case now?

A. That is not the case now.

Q. What is needed to avoid a renewal of the kind of arms race we had in the 1950s and the 1960s?

A. The essential feature is that both sides exhibit a willingness to show restraint. That cannot be done unilaterally by one side. As I indicated earlier, the obligation right now is on the Soviet Union to demonstrate a willingness to show restraint.

Q. What can the United States do to prevent the Soviets from gaining strategic superiority in a new arms race?

A. The American public would have to face up to spending two or three thousand million dollars more a year in order to augment our strategic capabilities.

Q. Mr. Secretary, how does China figure in this nuclear equation?

A. I think that 15 years down the road the Chinese could have a very major nuclear capability. From the standpoint of the Soviet Union, China may become a factor in the nuclear equation in as little as a decade. It will be longer from our standpoint.

Q. Will it be necessary to try to negotiate with the Chinese on strategic arms limitation before they reach that point in 10 to 15 years?

A. I have no objection to doing so -- if we could draw the Chinese into negotiations in this area. But until the Chinese have built up a second-strike force that is reasonably invulnerable, they are unlikely to express much willingness to negotiate seriously.

Q. Can we expect the Russians and the United States ever to put an absolute ceiling on future growth of their strategic nuclear forces in view of China's long-range potential?

A. That's a crackerjack question. The fact of the matter is that it is hard enough to contemplate reasonable limits being accepted by all parties when there are only two major nuclear powers. When you introduce a third party in these calculations, it may become unstable. So there is no very complete answer to your question.

Q. President Sadat of Egypt in the past week or so has indicated an interest in gaining access to American arms. Do you think it would be a good idea for the United States to supply Egypt as well as Israel?

A. There has been no formal request for arms. On the larger issue, I believe that polarization in the Middle East would diminish if the United States and Egypt should resume more normal relationships. To the extent that it is perceived that Israel and her Arab neighbors are being supported by competing suppliers, I think that inflames tensions in that region. To the extent that both of them might draw upon the United States as a source of supply, I think that might help to alleviate tension. It is not likely to affect the arms balance.

Countries in that area can get their weapons from a variety of source.

Q. Mr. Secretary, many people in this country wonder why we still have 300,000 men in Europe. Why is this necessary?

A. It seems to me that there is no dispute on the part of most people that the Sixth Fleet should remain in the Mediterranean, and that fleet and its support represents one big chunk of the 300,000 men -- something on the order of 40,000 men. The main question that is asked is why we have 190,000 Army soldiers in Germany. The answer goes back to a point I made earlier: we must maintain a worldwide balance of forces.

Q. Would a reduction in American forces encourage the Europeans to do more to defend themselves?

A. I think that is a theoretical possibility that is not consistent with the state of morale in Western Europe. It's far more likely that if the United States were to reduce its forces in Europe that would be a reduction of European forces.

Q. What does that say about the Europeans and their desire to be protected?

A. It says there are limitations to European morale. Contrary to the view that they are robust states with the strength to defend Europe by themselves, they are relatively weak states. It is essential that the United States recognize that Europe cannot supply all the necessary forces by itself.

Q. Cannot or will not?

A. There are questions of will, but Europe cannot supply the total forces required to give Europe a high confidence in defense against the Soviet Union.

Q. Does that mean that we will have to keep substantial American forces in Europe indefinitely and not just on a temporary basis?

A. That is precisely correct.

Q. Will the fact that the Chinese are proceeding with their build-up complicate relations between the United States and the Soviet Union?

A. For the next decade it should not pose a major constraint, because both the Soviet Union and the United States have massive strategic capabilities in relation to what the Chinese presently and even prospectively will have.

Q. How great is the danger that the Russians will attack China to eliminate Peking's growing nuclear threat?

A. This has been speculated on at some length. It should be recognized that it's hard to make the decision to go to war rather than simply to contemplate the supposed desirability or the circumstances of going. When the moment of truth arrives, there's always good reason to say "no".

Q. Why have the Russians decided to move out into the world oceans for the first time?

A. Their objective, I think, is to demonstrate that they are a power on a worldwide basis. In the past they have not had a blue-water navy, and now they are demonstrating that they are able to go anywhere in the world and to demonstrate Soviet power in the form of Soviet fleet movements.

Q. Are we compelled to follow the Russians everywhere they go in the world?

A. No.

Q. We've been hearing a lot about the Indian Ocean as a new theater of operation for the American Navy. Wouldn't that be a case of following the Russians?

A. We are not following the Soviet into particular areas of the world. But the Persian gulf and western Indian Ocean is an area that we cannot afford to allow to be unbalanced in naval terms. The importance of this area was dramatized by the war in the Middle East last October.

From the Persian Gulf comes most of the fuel for Western Europe and Japan, and a sizable fraction of the fuel for the United States. The Persian Gulf is an area of very great strategic significance. It is a matter of the utmost importance for the security of the west that the Gulf area remain secure.

Q. Does that mean that the United States must maintain a permanent naval force in the Indian Ocean?

A. We are not planning to maintain a permanent presence there. What we have said is that we are prepared intermittently to send naval forces in the Indian Ocean.

Q. Is that why it is necessary to build up a base in Diego Garcia in the Indian Ocean?

A. While we have had these naval forces operating in the Indian Ocean, we've had to support them over 5,000 miles out of Subic Bay in the Philippines. It is necessary to have a support facility reasonably nearby in the Philippines. It is necessary to have a support facility reasonably nearby in the Indian Ocean and that is why we have requested additional money for Diego Garcia.

We already have a communications facility on that island. We're talking about expanding the runway to 12,000 feet and about augmenting the facilities at Diego Garcia. I think that there has been an overreaction to the expansion of these facilities. It does not mean that we must operate continuously or even at all in the Indian Ocean. It merely gives us the option of effectively putting naval forces there, and it counterbalances a number of facilities that the Soviet already possess in the Indian Ocean.

Of course, we would prefer to have both sides restrain themselves in terms of their presence in that area.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	0700-0900 local
	31 meter band	9545 kHz	0500-0700 local
	49 meter band	6185 kHz	0500-0600 local

Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສຳນຸນ
NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/9/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES

The first primary elections of the 1974 campaign, held Tuesday, had the following results:

Former astronaut John Glenn beat incumbent Senator Howard Metzenbaum by more than 100,000 votes in the Ohio Democratic primary.

-- Attorney General Robert Morgan edged over the 50 percent mark in late returns to claim the Democratic nomination to fill the North Carolina Senate seat being vacated by Sam Ervin, chairman of the Senate Watergate Committee.

-- The 11 incumbent Indiana congressmen -- seven Republicans and four Democrats -- easily won renomination.

-- Governor George Wallace captured almost two-thirds of the Alabama vote in winning renomination for Governor for a record third time.

-- Voters in the District of Columbia approved by better than 4-to-one a "home rule" proposal that will provide them with greater -- but not complete -- independence from federal rule. Citizens of the nation's capital will be allowed to vote next fall for their officials for the first time in more than 100 years.

-- Vice President Ford urged Americans to "give the President the full support he needs to negotiate" an arms limitation pact with the Soviet Union. He told a meeting of the Grand Masonic Lodge of New York State: "We must not undercut him," apparently referring to Nixon's Watergate problems.

Former Federal Energy Chief William Simon was sworn in as the Secretary of the Treasury. In brief remarks, Simon said that Nixon's number one problem is inflation and the "solution will require determination, a new political will and close cooperation between the executive and legislative branches of government."

Herbert Stein, chairman of President Nixon's Council of Economic Advisers, said part of the blame for current economic woes lies with the American public, which gets the inflation it wants and deserves. He told a Washington meeting of economists, "...while the American people rate the evil of inflation heavily, they are unwilling to pay the price of stopping it and this is only another way of saying we get the inflation we want and deserve."

USAID DISTRIBUTION: B&F

The House of Representatives, in a 240-154 roll call vote, defeated a bill to conversion of U.S. weights and measures to the metric system.

The Senate Watergate Committee staff has concluded that evidence it has gathered indicates former Attorney General John Mitchell approved the operation leading to the June 1972 Watergate break-in. A draft report prepared by the Committee staff also concludes that payments were made to buy the silence of the original Watergate defendants in order to avoid embarrassing the White House.

ELSEWHERE IN THE WORLD:

Syria called for an early summit meeting of Arab nations as U.S. Secretary of State Kissinger arrived for a new round of talks on the disengagement of forces along the Golan Heights front. At the same time, the Syrian government announced that President Hafez Al-Assad has received a message from Soviet Communist Party Leader Leonid Brezhnev, but the contents of the message were not divulged. Artillery battles on Mt. Hermon and other sectors of the Golan Heights front continued for the 58th straight day. The Israeli military command said one of its soldiers was wounded.

In India, strikers disrupted that country's vital railway communications in spite of government warnings that their illegal walkout could bring down the already staggering economy.

Japan asked the United States to discontinue operations of the Voice of America in Okinawa as soon as possible, a Foreign Ministry spokesman said in Tokyo.

Dow Jones Closing Stock Averages: 30 INDUS 850.99 UP 3.84
20 TRANSP 172.93 UP 0.23
15 UTILS 78.44 UP 0.44
65 STOCKS 258.84 UP 17
VOLUME: 11,850,000 SHARES.

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DEFENSE DEPARTMENT BRIEFING (FRIEDHEIM) MAY 8

Vietnam Aid -- Commenting on the Senate action May 6 forbidding authorization of an additional 266 million dollars in military aid for South Vietnam during fiscal 1974, Defense Department Spokesman Gerald Friedheim said that it would "not necessarily have a dramatic immediate in South Vietnam.

He pointed out that the resulting tight funding situation would "tend to get urgent in specific types of supplies", although he declined to anticipate which supplies. "Given the lowered ceiling," he said, "we will not be able to support one for one replacement." Such replacement of lost and destroyed military equipment has been authorized by the Paris Agreement.

The current defense budget authorizes 1,126 million dollars for military assistance to South Vietnam. Divided evenly over the year, this would represent almost 100 million dollars a month. Friedheim said that by the end of the third quarter (end of March), there was only about that much left for the entire fourth quarter. "At some point, this will create a bubble in the pipeline," he said.

Unlike the White House, which reacted with deep disappointment over the Senate action, the Pentagon reaction appeared calm. Friedheim justified this attitude on grounds of what he called "fortuitous non-occurrences," such as the absence of a Communist Tet offensive this year.

Still, there will have to be what he described as "adjustments and gyrations. We will have to sort out what South Vietnam may need and what we can supply from the small amount left," he said, "letting the rest slip to fiscal 1975. Logisticians hope to reduce the impact, though there will be some impact through reduction of supplies, but we are hopeful there will not be a complete stoppage."

Originally, the Pentagon had sought authorization for 1,600 million dollars in military aid for South Vietnam this year. Congress cut the request to 1,126 million, and a subsequent request for a supplemental authorization was denied. Then it was discovered that 266 million dollars of prior-year obligations had been budgeted against fiscal 1974, and it is this amount that DOD south to add to the budget -- until the Senate voted against that option May 6.

War Reserves -- In answer to a question about Senator Fulbright's charge May 7 that the DOD, in its budget request for fiscal 75, was "hiding" a 490 million dollar military aid figure under its "war reserves program," Friedheim said this program originated during discussions in fiscal year 1972 and had been part of the defense budget for each of the three succeeding years. "There is no hidden program," he said.

"The theory (behind the war reserve fund) is that, when contingencies arise, we would like to have a better way to get equipment than take it from other units or from existing stockpiles," he said.

The original idea was to have materiel available for use in Southeast Asia but this is now planned to be expanded world-wide, apparently because of the experience in the Middle East war in October, 1973, when the United States ran into difficulties acquiring immediate supplies. Friedheim said that to his knowledge no equipment had as yet been drawn out from these war reserves.

Questioned about the possibility of drawing from the reserves to augment military assistance to South Vietnam, Friedheim said "there is no plan that I know of to utilize this funding for South Vietnam."

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CONGRESSIONAL NOTES FOR MAY 8

Impeachment inquiry -- The House Judiciary Committee begins May 9 its closed sessions to hear evidence assembled by its staff on whether President Nixon should be impeached. In a press conference May 8, Chairman Peter Rodino, ranking minority member Edward Hutchison and the committee counsels John Doar and Albert Jenner made these points:

-- The counsels' first presentation to the Committee will be on the Watergate break-in and its aftermath. Other areas to be taken up include the President's taxes, ITT and the Milk Fund.

-- The hearings will continue on May 14, 15 and 16 and are expected to be closed. During next week's meeting the Committee is expected to listen to about six to seven hours of taped Presidential conversations, in a chronological sequences including the March 21, 1973, meeting at the White House.

-- Next week the Committee also is expected to consider whether to issue another subpoena to the President. According to Mr. Doar, the Committee does not have all the material that it needs and therefore he favors the issuance of the subpoena. Mr. Jenner declined to comment on the issuance of the subpoena. Mr. Hutchison said he did not think any subpoena from the committee would be enforceable and "therefore I don't think it needs to be issued." Mr. Rodino said "the Committee has an obligation" to obtain all relevant material.

-- After this initial four-day phase of the presentation, the committee is expected to decide what witnesses to call and which of the six areas initially to pursue.

Chairman Rodino said he did not anticipate that the Committee would finish inquiries before the end of June.

KISSINGER - Senate Democratic Leader Mike Mansfield says "the Senate is taking note of Secretary of State Henry Kissinger's (Mideast) travels and we support him fully and completely in what he is attempting to do, and ... we hope and pray that he will be successful in his efforts to find a road to peace in the Middle East, a road which now seems to lead toward Damascus." Senate Republican Leader Hugh Scott noted that he and Senator Mansfield and other Senate leaders by letter have "expressed our full support of the activities of Dr. Kissinger in his very sturdy efforts to secure peaceful conditions in the Middle East."

Energy -- Senator Henry M. Jackson in opening debate May 8 on the Standby Energy Emergency Authorities Bill -- giving government authority to institute rationing, allocate supplies, and make unemployment assistance -- says the nation has a "probability" of a six percent gasoline shortage this summer. Dependence on foreign sources must not be allowed "to make us vulnerable to foreign political machinations," he declared.

World Food -- Senator Hubert H. Humphrey in a Senate floor speech May 8 declared the "battle against global poverty and disease is being lost" and proposed a world food offensive calling for U.S. initiatives on four fronts: expanded food aid, national and international food reserves, a system of fertilizer distribution and production, and agricultural development projects in food deficit nations.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	
	31 meter band	9545 kHz	0500-0700 local
	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/10/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Senate Democratic Leader Mike Mansfield said there will be no organized Senate opposition to President Nixon taking trips to Moscow and the Middle East during the next few months while impeachment proceedings are under way. The Senator firmly rejected suggestions made by some members of Congress that the President postpone his trips or cancel them.

Vice President Gerald Ford said Watergate has caused "an erosion of confidence in our federal government which I believe has reached crisis proportions." In a speech prepared for delivery at Eastern Illinois University, Charleston, Ill., the Vice President said "The time has come for persons in political life to face the truth and speak the truth." He added, "...While it may be easy to delete characterization from the printed page, we cannot delete characterization from peoples' minds with a wave of the hand." Mr. Ford apparently was alluding to references in the Watergate transcripts released by the White House last week to parts of the conversations that were edited out and replaced by the notation "characterization deleted."

Impeachment Inquiry -- The 8-member House Judiciary Committee began hearing evidence in the impeachment investigation of President Nixon May 9. After a 20-minute public meeting to hear opening statements by committee chairman Peter Rodino and ranking Republican member Edward Hutchinson, the Committee moved into closed session.

Noting that the Committee is authorized by the full House to "investigate fully and completely whether sufficient grounds exist" to impeach the President, Chairman Rodino said: "I don't need to stress again the importance of our undertaking and the wisdom, decency and principle we must bring to it. We understand our high constitutional responsibility. We will faithfully live up to it."

Said Mr. Hutchinson: "I trust the members of this Committee embark upon their awesome task each in his own resolve to lay aside ordinary political considerations and to weigh the evidence according to law."

The Committee will hear evidence in six areas, the first being the Watergate break in and the alleged subsequent cover-up. The others are: Presidential finances, domestic surveillance, campaign intelligence activities, improper use of departments and agencies, and other matters such as the bombing of Cambodia.

Chairman Rodino said he expects the inquiry to continue until the charges have been thoroughly examined. The Committee will meet regularly three days each week beginning May 9.

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The Bureau of Labor Statistics reported that wholesale prices registered their smallest jump upward in six months in April as a result of the second consecutive monthly decline in food prices. The report said wholesale prices increased 0.7 percent seasonally adjusted and 0.5 percent unadjusted. The increase was still high by normal standards but considerably below increases recorded since last November.

The American Consumer faced another round of price increases Thursday -eight days after the last of the federal price restraints are lifted. Hikes were announced Wednesday in the prices of cars, copper, kerosene and diesel oil and recreational vehicles. But amid the new increases, the Agriculture Department predicted retail food prices would rise only slightly during the rest of the year. The Department also reported a record winter wheat crop of 1.612 billion bushels and indicated a year in which production will be more than enough to meet all currently-projected demands.

Former Treasury George Shultz said he accepted a new job as executive vice president of the Bechtell Corp, a worldwide engineering and construction firm with headquarters in San Francisco.

A joint resolution was introduced into Congress urging President Nixon to initiate serious negotiations with the Turkish government to prevent the revocation of the Turkish ban on opium production. The resolution also states that if the negotiations prove unsuccessful, the President should exercise his authority under the foreign assistance act to terminate all economic aid to Turkey.

ELSEWHERE IN THE WORLD:

In Bonn, Finance Minister Helmut Schmidt got his party's final confirmation as candidate to succeed Willy Brandt, who resigned as chancellor over a spy scandal.

Israeli planes strafed Syrian military targets in the Mt. Hermon area as well as Arab guerrilla concentrations in southern Lebanon. A military spokesman in Tel Aviv said the Israeli air attacks followed Syrian artillery shelling and firing from the guerrillas in Southern Lebanon.

A sharp earthquake jolted central Japan Thursday morning, killing one person and injuring 23 persons over a wide area of the Izu peninsula.

Dow Jones Closing Averages:	30 INDUS	865.77	UP	14.78
	20 TRANSP	174.33	UP	1.40
	15 UTILS	78.89	UP	0.45
	65 STOCKS	262.31	UP	3.47

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FORD'S VIEWS ON DETENTE AND A STRONG EUROPE

Vice President Gerald Ford was recently interviewed by Henry Brandon, Washington correspondent for the Sunday Times of London. The following is excerpted from the Sunday Times, London, copyright 1974 Sunday Times.

(Begin Excerpts)

Question: The relationship between the U.S. and Europe is now in flux. How do you see the future of transatlantic relations?

Answer: I have always supported, from the outset, the NATO alliance. I always thought that the joint efforts with Western Europe were of great importance. At the same time, I recognize that we cannot expect as many nations as are included in the alliance all to play to precisely the same tune year after year. Different governments come and go, different countries have problems that are unique one year and require in another year a different direction as far as economic policy is concerned. Therefore, although I get a little disappointed with some of the countries going off on tangents, I would still strongly support the continuation of NATO and the alliance with the hope that I would understand individual problems on a day-to-day basis.

Q: There is no a serious discussion about the possible withdrawal of American troops from Europe. What do you think are the prospects for maintaining those troops?

A: Unless we work out one or two things, Congress will force a unilateral withdrawal of part of the American personnel and U.S. strength in Europe. I mean that unless we work out some sort of agreement with the Soviet Union and its allies on a mutual balanced force reduction, Congress will probably direct that some troops be withdrawn. I personally am against it, but to be realistic, you have to recognize that this is a probability. If we do not get a mutual force reduction agreement, if we want to avoid Congress taking action, then the other members of the alliance have to make a bigger contribution, either in regard to troops strength or dollar support.

Q. Do you see, at least psychologically, a contradiction between the detente policy with the Soviet Union and your saying that the allies should put up more in terms of troops and money?

A. I don't see any contradiction. The detente might hopefully lead to a lesser burden for everybody, that is only one aspect of the detente, but an important one. I don't think we would be negotiating to the degree that we are today if we didn't have the detente. The fact that it is in existence gives us the opportunity to achieve some of the things all of us want. There is some skepticism indeed as to the desirability of the detente. But I agree with those who say that it is helpful rather than harmful and I'm a little perplexed at some of the criticism by people who, only five years ago, were talking about detente.

Now they are probably the most cynical about it. I don't understand their opposition or their questioning today when earlier they were praying for it.

Q. There exists a great controversy about future strategic missile policies, which after all, is at the core of the detente policy.

A. I believe that SALT One laid a good foundation, but I think that we have got to review it. What we do in SALT Two will be more important than SALT One. And this is where the crunch is going to come. Will we be able to control the multiple independently targeted warheads which we have and the Russians are now acquiring? At this stage, there is not total unanimity within the Administration about what the precise U.S. position ought to be at the final bargaining.

Q. Where do you stand Mr. Vice President?

A. At this stage, I'm only listening. I have listened to the arguments pretty much across the board. I probably will refine my own position after we will have had another meeting in the next few weeks when we will focus more sharply on some of the issues not yet agreed upon and I will be able to give you a better answer then.

Q. Since part of the detente includes a greater volume of trade and major American credits with Russia, do you favor those?

A. Yes, I do.

A. Do you share the Kissinger viewpoint about the need for a multi-polar diplomacy which aims at establishing equilibrium among the superpowers, or do you believe in the more old-fashioned approach, which was to rely on strong alliances between the U.S. and Western Europe and the U.S. and Japan?

A. I would agree with Dr. Kissinger's viewpoint and policies because things have changed. We live in a totally different world, the globe has shrunk and totally new weapons have come into use; communications and transportation have also changed.

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KISSINGER TALKS WITH SAUDI ARABIA, EGYPT IN SHUTTLE DIPLOMACY

By Marie Koenig
IPS Diplomatic Correspondent

Cairo, May 9 -- U.S. Secretary of State Kissinger, taking time off from his shuttle diplomacy between Jerusalem and Damascus, is making brief stops in Saudi Arabia and Egypt to keep the leaders of those governments abreast of developments in his quest for an Israeli-Syrian military disengagement agreement.

Dr. Kissinger made a six hour stop in Riyadh May 9, and -- according to a senior U.S. official -- came away from his talks with King Faisal and Foreign Minister Omar Saqqaf with a firm impression that Saudi Arabia will have a positive influence with the Syrians who are now considering Israeli ideas for disengagement.

On the way from Riyadh to Cairo, the Senior American diplomat said Dr. Kissinger found interesting and significant a public statement by the Saudi Arabian Foreign Minister that endorsed his efforts to help separate Israeli and Syrian forces on the Golan Heights.

Mr. Saqqaf, bidding Dr. Kissinger farewell, voiced hope for success in Dr. Kissinger's efforts. He linked progress on disengagement to the recent agreement between the United States and Saudi Arabia to strengthen their cooperation in the economic, industrial and military fields.

If the "attempts at disengagement are successful, we all know that that in itself would lend greater possibility for success to such joint efforts between us and bring about an increasing measure of respect, appreciation, cooperation and amity," Mr. Saqqaf said.

The Senior U.S. official's assessment of Mr. Saqqaf's statement took account of the public forum in which the Saudi diplomat spoke. The Saudi Arabians, according to the American interpretation, had endorsed what they know to be the substance of Dr. Kissinger mediating role.

Over the next few days, President Hafez Assad will be assessing the Israeli ideas that Dr. Kissinger presented to him this week. It is the American viewpoint that Mr. Saqqaf's statement will have a helpful affect on President Assad's decisions.

Secretary Kissinger will hold a two-hour meeting in Cairo May 10 with Egyptian President Anwar Sadat to keep him abreast of the negotiating efforts.

This is Dr. Kissinger's third visit to Egypt with President Sadat since coming to the Middle East at the end of April. Part of Dr. Kissinger's strategy is to include the Arab states in the disengagement efforts by seeing to it that they are informed. Algeria is another nation that is being kept up to date. Secretary Kissinger will fly back to Israel about mid-day May 10.

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ຂ່າວສ່ວນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/13/74

NEWS ROUNDUP

VOA

MIDEAST -- Secretary of State Henry Kissinger has reported to the Israeli side on his talks in Damascus Sunday with Syrian leaders on disengagement of forces along the Golan Heights. The Israeli Cabinet meets today to discuss the report and another meeting with Dr. Kissinger is scheduled in the afternoon.

Before leaving Damascus, Dr. Kissinger told newsmen his talks with Syrian President Assad has passed from the state of generalities to detailed examination of all elements involved in disengagement. He described the mood of the talks in Syria as warm and friendly and he said he expects to return to Damascus on Tuesday. Meanwhile, Syrian and Israeli exchanged tank and artillery fire along the Golan Heights front for the 62nd consecutive day.

WATERGATE

President Nixon's chief counsel, Fred Buzhardt, said Nixon opponents are engaged in a campaign to poison the mind of the public against the President. However, he said in a TV interview that he doesn't know who is behind the alleged campaign. In a separate TV interview the leader of the powerful Teamsters Union said he still supports the President as he did in the last presidential election. President Nixon emphasized in a visit to Oklahoma Saturday night that he does not plan to resign and he said he hopes the House of Representatives will act promptly to decide whether there are grounds for his possible impeachment. Earlier, conservative Republican Senator Barry Goldwater rejected suggestions that Mr. Nixon resign. Senator Goldwater said he does not feel that present evidence against the President is strong enough to ask him to resign.

SOUTHEAST ASIA

In South Vietnam only scattered battle action is reported.

The Cambodian military command says its forces have inflicted heavy losses on communist forces operating around the besieged Long Vek government base. Elsewhere new fighting is reported near the Cambodian deep water seaport of Kompong Som.

The general election in Australia is less than a week away and the late st polls show the Labor Party of Prime Minister Gough Whitlam slightly ahead of the opposition Liberal Country Party of Bill Snedden. Mr. Snedden is taking his campaign to the Prime Minister's home territory in Sydney and Mr. Whitlam will concentrate the remaining days of his campaign in the Melbourne area, which is Mr. Snedden's power base.

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EUROPE

West Germany's Chancellor designate Helmut Schmidt says the governing coalition party has reached agreement in principle on the make-up of a new cabinet and its government program. Mr. Schmidt said the cabinet would have two seats less than the previous 17-member government and its program will be based on the one presented by former Chancellor Willy Brandt when he was returned power two years ago. Reports say the program is expected to stress domestic problems especially the fight against inflation.

Candidates in the French presidential election have entered their final week of campaigning. Independent Republicanian finance minister Valery Giscard d'Estaing and Socialist François Mitterand will face each other in the runoff election next Sunday. The latest public opinion polls show the popularity of the two candidates equally divided.

ISRAEL

Israeli Premier-designate Rabin is continuing consultations in an effort to form a coalition government to succeed that of Mrs. Golda Meir. The problem facing Mr. Rabin is formation of a coalition government that would secure a majority in the 120-seat parliament. A formal decision on the make-up of the coalition is expected to be taken Tuesday by the central committee of the ruling Labor Alignment Party.

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English Language Broadcast of the Voice of America

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	49 meter band 6110 kHz	
	190 meters 1580 kHz	1830-1900 and 2130-2300 local

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STEIN SEES ECONOMY TURNING UPWARD

ENCL 101

Washington, May 10 --Saying the worst of the economic slowdown is past, the U.S. government on May 10 held out prospects for a return to normal growth with much less inflation in the second half of 1974.

But it also moved to give a boost to the ailing housing industry by pumping 10,300 million dollars of low interest money into the mortgage market, enough to finance an additional 300,000 home starts.

Dr. Herbert Stein, chairman of the Council of Economic Advisers, said this will not be inflationary, since it will merely divert funds from other competing investments and in effect spread the impact of tight money policy so that housing will not be "the primary victim."

In testimony before a Congressional committee, and later at a White House briefing, Dr. Stein made these other points:

-- U.S. output and employment have held up well in the face of last winter's energy crisis. By mid-year production should be back to a normal four percent annual rate of rise, though the second quarter will be at or near zero growth. The first quarter output declined six percent on an annual basis.

-- Almost all the decline came in automobile and related areas. This should begin to rebound.

-- Consumer spending should resume its rise in the second half of 1974.

-- Capital goods is the strongest sector of the economy, with demand outrunning capacity.

-- The sharp decline in housing starts has come to a halt. A shortage of mortgage funds has raised interest rates, but Dr. Stein would not recommend an easy money policy, which, he said, would be wrong in a period of rapid inflation.

-- Employment has shown a strong upsurge, and unemployment has declined. Unemployment may rise slightly but should remain under six percent. (Senator William Proxmire, a frequent critic, remarked that Administration estimates have proven more accurate than the more pessimistic private estimates.)

-- As demand and output rise, labor will become tight, putting pressure on wages to rise. The high level of employment attests to the considerable strength of the economy.

-- Price increases peaked in the first quarter of 1974, and he expects improvement in the future. "We expect to see some results quickly."

-- Food price increases should slow substantially. Gasoline prices should also rise less steeply.

-- But other prices of goods and services are rising faster than before, reflecting raw material price rises and increases in unit labor costs.

-- Overall inflation rate should be about six percent by year's end.

-- The economy is still far from "robust", and "we still have considerable distance to go" on prices. Inflation is disturbingly high, and unemployment is still distressing.

-- But fiscal and monetary policy should not become more expensive. The government is looking at the budget to see if some more cuts can be made. But a tax cut, as proposed by some Congressmen, would be "very dangerous."

Gary Seevers, another member of the Council, said there is no shortage of fertilizer in the United States. Farmers will use as much per acre as last year but with prices so high, they would like to use even more. There will be no failure of crops; in fact, crops will break all records.

He added that this is not the time to build up food reserves, when prices are high; that should be done after prices come down.

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WASHINGTON NEWS NOTES

SPACE PROGRAM -- The Senate May 9 passed a bill that authorized more than 3,200 million dollars for the nation's space program in the fiscal year beginning July 1. The measure is eight million dollars above the bill passed by the House and 20 million dollars above President Nixon's request. It authorizes 800 million dollars for the space shuttle development program, whose first flight is planned for mid-1977. It also includes 318.3 million dollars for space operations including the joint U.S.-Soviet Apollo-Soyuz mission scheduled for 1975. The bill now goes back to the House for acceptance of the eight million dollar increase or, failing that, a Senate House conference.

HOUSE REFORM -- The House Democratic Caucus voted by secret ballot, May 9 to delay a House vote on wide-ranging proposals to reform House procedures and committee structure. Instead of sending the massive reform package to the floor, the Caucus decided to refer it for further study to a Caucus subcommittee which will report back to the Caucus no later than July. Reforms of the House committee structure represent more than a year of work by a select committee appointed by House Speaker Carl Albert to seek ways to modernize the antiquated structures of the House. The last time Congress significantly altered its committee system was in 1946.

WAR RESERVE STOCKS -- Defense Department Spokesman Gerald Friedheim rejected as "erroneous" suggesting that the program to build a 1,000-million dollar stockpile of military hardware against a war contingency in Southeast Asia involved duplicity on the part of the Defense Department. "Neither was it, quote, hidden away, nor was it, quote, unknown, unquote, to the Congress," the spokesman said. The Department, May 10 issued another in a series of follow-up fact sheets, quoting testimony of Air Force Maj. Gen. J.L. Blank before the House Appropriations Committee September 21, 1973, and Army Maj. Gen. Peter Olenchuk before the Senate Armed Services Committee February 27, 1974, in its attempt to refute Senator Fulbright's charge May 6 the Pentagon had been "hiding" a secret military aid fund. According to one of the fact sheets, the war reserves stocks for allies -- "are not available to supplement the military assistance-funded material available to support the South Vietnamese in the residual fighting without an explicit Congressional authorization to do so."

THAILAND PULL-OUT -- The Defense Department issued a release quoting an announcement from the Royal Thai Government that "a portion of the 50-B-52's located at Utapao Royal Thai Navy Airfield" would begin leaving the country May 15. Support troops will leave with the planes. They will be part of the some 10,000 U.S. troops which will have moved out during 1974, leaving about 25,000, a little more than half the 49,500 stationed there at the height of the U.S. involvement in the Southeast Asian conflict.

ENVOY -- The President will nominate Robert P. Paganelli to be Ambassador to Qatar. Press Spokesman Gerald Warren said the nomination signifies "the growing importance we place on the Persian Gulf States." The nomination means, he noted, that the CNID states will have resident ambassadors in Oman, Iar, The United Arab Emirates and Bahrain, as well as in Kuwait. He said the nominations might give the appearance of "stripping" Ambassador Stoltzfus of his duties, but he said "exactly the opposite" is the case. Ambassador Stoltzfus remains in Kuwait.

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/15/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Chicago Mayor Richard Daley suffered a small stroke when he entered the hospital suddenly last week and must undergo surgery in three or four weeks.

President Nixon sent to the Senate a protocol to extend the International Wheat Trade Convention and the Food Aid Convention of 1971 for another year, or until June 30, 1975. The Trade Convention provides for consultation and exchange of information relative to production and trade. The Aid Convention commits producing countries to minimum amounts of emergency relief aid. The President said U.S. Agreement is subject to the European Economic Community remaining in the Aid Convention. The E.C. Council has already voted its agreement to do so.

A House Committee gave overwhelming approval to a report saying 1791 million dollars in federal money has been spent in connection with President Nixon's private homes. The report said action should be taken to recover any improper expenditures -- without alleging any specific improper spending on the Nixon homes and recommended that permanent security improvements in the future be limited to only one of a President's private residences. The final report approved by the Government Operations Committee concluded a year-long investigation.

The Senate voted to ease temporarily clean air standards as part of the national campaign to conserve energy. The bill also would delay for two years -- from 1975 until 1977 -- the effective date for auto manufacturers to reach prescribed emission standards. The bill now goes to conference with a more far-reaching House bill.

The American Automobile Association said its weekly survey of gasoline supplies around the nation showed the average cost of both regular and premium gasoline had risen by a penny a gallon since last week.

The House Agriculture Committee on May 14 approved following quotas for sugar (expressed in short tons): Philippines, 1,328,050; Australia, 225,185; Taiwan, 82,615; Thailand, 28,581; Fiji, 42,698.

ELSEWHERE IN THE WORLD:

The U.S. dollar took another drubbing in European money markets, sinking to a nine-month low in Frankfurt and dropping almost everywhere.

The average cost of crude oil from Kuwait may go up two to three dollars a barrel as a result of a new agreement between the Kuwait government and British and American owners of Kuwait Oil Co. Industry sources say the 60 percent participation agreement, ratified by the Kuwait parliament, will cut by more than half the amount of crude oil which British Petroleum Co. Ltd and Gulf Oil Corporation can lift at so-called "tax paid" cost.

USAID DISTRIBUTION: B&F

China's Premier Chou En-Lai, complaining of being old and "not very well", has given some signs he might step aside after 25 years at the summit of power in China, according to press reports. The 75-year old revolutionary, China's only premier since the Communists seized power in 1949, has been reported to be conspicuously missing at recent state functions.

Australia and the United States today signed a new extradition treaty. Included in the list of extraditable offenses are aircraft hijacking, narcotics offenses and conspiracy to commit offenses listed in the treaty.

Dow Jones Closing Averages: 30 INDUS 847.86 UP 2.27
20 TRANSP 169.57 UP 0.70
15 UTILS 75.22 OFF 1.82
65 STOCKS 255.52 OFF 0.15
VOLUME: 10,880,000 SHARES.

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U.S. TREASURY REPORTS TALKS ON GOLD

Washington, May 14 -- Following is a statement to correspondents released by the U.S. Department of the Treasury on May 13:

Minister Willem Duisenberg of the Netherlands and U.S. Secretary of the Treasury William Simon held exploratory discussions today on the future role of gold in international monetary arrangements.

Minister Duisenberg outlined recent discussions among the ministers of finance of the European Community. He reported that the ministers have agreed on two general propositions. First, they have reasserted that the SDR (Special Drawing Rights) should become the principal reserve asset in the future system, and that arrangements for gold in the interim period should not be inconsistent with that goal. Second, they have agreed that such interim arrangements should enable monetary authorities to effectively utilize the monetary gold stocks as instruments of international settlement.

Secretary Simon agreed with Minister Duisenberg that we should seek to settle the future role of gold, including interim steps, by agreement on the widest possible international basis. The Secretary made clear his view that in considering any proposals, a primary consideration should be the necessity of insuring that any changes in the international agreements relating to gold would facilitate the continuing orderly diminution of the international monetary role of gold and would contribute to the continuing evolution of economically responsive international monetary arrangements.

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CONGRESSIONAL NOTES MAY 14

Democrats on Impeachment -- House of Representatives Speaker Carl Albert told newsmen after House and Senate Democratic leaders held their regular monthly breakfast meeting May 14: "It would be disastrous for the President to resign under political pressure. If he is not guilty and those facts come out he would be exonerated. But if he resigns and later it is shown he was not guilty, it would result in irreparable harm to the country." Albert added he is certain the President will not resign. The number two House Democrat, Thomas P. O'Neill, who once publicly suggested that President Nixon's resignation would be good for the country, said he had changed his mind. "I now think Americans want all the facts to come out," he said, "not only for now but for posterity and history."

Sugar Bill Controls -- The House Agriculture Committee overwhelmingly (30-5) approved May 14 a five-year extension of federal sugar controls that would sharply reduce federal subsidies for U.S. sugar farmers. The legislation, to be effective in 1975, would continue a 40-year-old system under which the Agriculture Department decides annually how much sugar is needed in the U.S. market and then divides this into marketing quotas formula contained in the bill. A vote on the House floor is expected before the end of May. Among amendments that may be proposed is one to eliminate South Africa's quota for sugar sales in the U.S.

Soviet Parliamentarians -- An official delegation from the Supreme Soviet, the first since 1933 to come to the United States, will arrive in Washington on Sunday, May 19, for a 10-day visit. The delegation was invited earlier this year by House Speaker Carl Albert and Vice President Gerald Ford. Head of the eight-member Soviet delegation is B.N. Ponomarev, alternate member of the Politburo of the Central Committee of the Soviet Communist Party and Chairman of the Committee on Foreign Relations of the Chamber of Nationalities of the Supreme Soviet. The Soviet delegation will spend three days on Capitol Hill, meeting May 20 with Speaker Albert and Senator John Sparkman of the Senate Foreign Relations Subcommittee on Europe and Chairman of the U.S. Interparliamentary Group. On May 23 they will meet with Executive Branch officials and then leave Washington for visits to New York and San Francisco.

Impeachment Inquiry: The House Judiciary Committee will meet in closed session May 15 to consider issuing a second subpoena against President Nixon for Watergate-related White House tapes. Committee Chairman Peter Rodino told newsmen the second subpoena would relate to issues presented to the Committee by its legal counsel May 14, the second day of the Committee's closed hearings.

During the May 14 meeting, Committee members received information concerning the Watergate breakin, events leading up to it, and information relating to the official investigation following the breakin.

An earlier Committee subpoena for 42 Watergate tapes has been outstanding since April 19. In answer to that subpoena the President released White House transcripts of tape conversations between him and several of his key aides.

Nuclear Test Ban -- In a floor speech May 13 Senator Edward Kennedy said he believes "The time is ripe for the conclusion of the comprehensive test ban treaty banning all nuclear tests. Noting reports that the U.S. and Soviet Union are discussing a "threshold" treaty which would limit the size and number of underground nuclear tests, Kennedy said that while he would welcome progress toward ending the nuclear arms race, the threshold treaty could both create new problems and could sacrifice the benefits that a comprehensive test ban would offer."

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HEAD OF COST OF LIVING COUNCIL TESTIFIES ON INFLATION

Washington, May 14 -- John Dunlop, head of the Cost of Living Council, made the following points in testimony before the Joint Economic Committee of the U.S. Congress on May 14:

-- In 1974 U.S. inflation will be spread throughout the economy, in addition to food and fuel. It will be more predictable than that of 1973, and will probably be higher than had been predicted. Inflation will remain a nagging problem for many years.

-- Monetary and fiscal tools are not enough in combating inflation.

-- One needs to be careful not to promote autarky by unduly restricting imports or exports, but the United States cannot remain the market of last resort, the only country that continues to export, so that our industry bears the full impact of price pressures.

-- The United States must form trade policies to protect itself against producing cartels raising prices of primary products.

-- Imports will be more expensive, no longer moderating the U.S. inflation.

-- Answering questions, Mr. Dunlop said he expects U.S. steel prices to rise as wages and raw material costs go up.

-- He is "strongly in favor" of a grain reserve as a moderating force in the food sector. For both foreign domestic policy reasons, a reserve is imperative, although there may be controversy over the particular form of the reserve.

Inflation in 1974 and early 1975 is likely to be a very different kind than in 1973. In 1973, inflation was concentrated in food and energy; two-thirds of the rise in the CPI (Consumer Price Index) was directly attributable to these sources. In 1974, inflation will be spread more generally throughout the economy. In such industries as steel and metal products, chemicals, rubber and plastics, machinery and equipment, paper, the full effects of raw materials and energy costs will be passed through to consumers....

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CORPORATE CHIEFS PREDICT GOOD YEAR FOR U.S. BUSINESS

Hot Springs, Virginia, May 14 -- Despite shortages of raw materials, climbing interest rates, and persistent inflation, the top corporate leaders in the United States express surprisingly strong optimism for 1974's business outlook.

In a semi-annual meeting of the Business Council this past weekend, chairmen and presidents of more than 100 of the largest U.S. companies said publicly and privately that, in spite of soaring interest rates and supply squeezes, manufacturing is not being curtailed. In fact, expenditures for new plant and equipment is projected to rise from 13 to 19 percent in current dollars.

The chairman of one industrial construction company explained that companies are willing to borrow at record (for the United States) interest rates to finance expansion because, when prices are rising at a more than 10 percent annual rate, it's cheaper to borrow now than wait for lower interest rates next year when projects cost more to build.

In a summarized statement on U.S. economic conditions, economic consultants to the Business Council forecast continuing strong demand throughout the year for basic materials and capital equipment, with the general level of business improving in the second half. Unemployment is expected to average 5.6 percent, compared to 4.7 percent in 1973. For 1974 as a whole, real GNP -- total volume of output, -- will average "at or slightly below" the 1973 level, with inflation showing an annual rate of 6 percent by the year's end.

Talks with businessmen revealed an almost universal belief that, if the economy is in a recession, it's a highly lopsided one, heavily concentrated in autos and housing. In many other basic industries, company chiefs are worried about shortages and excess rather than any weakness in business.

Though there were indications that the supply situation was easing somewhat, most businessmen predicted costs would continue to go up. The only difference now, according to the president of one heavy equipment manufacturing company, was that American firms were slowly learning to deal with it. Inflation was labeled the number one enemy, a view echoed

by retiring Secretary of the Treasury George P. Schultz. He predicted a stronger dollar and reduced inflation by the fourth quarter, with diminished pressure on raw materials markets. Short term interest rates, he said, were probably at their peak for the year -- but he said no substantial decline can be expected until the government succeeds in curbing the rate of inflation.

Jens Otto Krag, head of the delegation of the commission of the European Communities, assured Council members that U.S. farmers and businessmen were far more competitive than they realized.

America's economic strength would be needed in the decades ahead, he indicated, not only for America's sake but to preserve a stable and equitable world order. Most immediately, the energy crisis had impaired Europe's capacity to produce. In no single community country, except the German Federal Republic, he said, will prices increase significantly less than 13 percent, a sensitivity certain to reduce the competitiveness of European economies relative to the United States in world trade.

Regarding the European balance of payments problem, David Rockefeller, chairman of the Chase Manhattan Corporation, added a serious warning. Oil-producing nations have been placing soaring surplus funds in the Eurodollar market or in sterling, at call or short maturity. The banks have been, in turn, lending it to oil-consuming nations on a five-to-seven year basis, he reported, which obviously makes a very unbalanced and precarious maturity structure. "My own view is that the process of recycling through the banking system may be close to the end for some countries, and in general, it is doubtful this technique can bridge the gap for more than a year, or at most 18 months." He expressed the hope that OPEC countries would agree to place funds at longer maturity, a sentiment seconded by U.S. Deputy Secretary of the Treasury Jack Bennett. What hampered this development, Mr. Bennett said, was prevailing high interest rates on short term investments, providing higher yield than medium term instruments.

In remarks to Council Members, Mr. Bennett called for a multilateral effort in expediting long term concessional non-project loans to countries most severely hit by recent price rises, and stressed the "real and symbolic" importance of Congressional approval of U.S. participation in the replenishment of international development association.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	0700-0900 local
	31 meter band	9545 kHz	0500-0700 local
	49 meter band	6135 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສ່ວນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/16/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES

President Nixon contended that state system for workers' compensation "have not kept pace with the times" and announced formation of a federal task force to spur reforms. In a statement, Nixon said present systems have many flaws and have evolved too slowly "to continue to meet the needs of intended beneficiaries." Nixon announced that a panel to be directed by the Secretaries of Labor, Commerce, and HEW, together with the Federal Insurance Administrator, will work to encourage reforms at the state level and prepare a report on further steps that could be taken. The report would be due late next year.

Unions representing nearly 750,000 telephone workers demanded substantial wage increases in the first round of major labor negotiations since the expiration of government wage-price controls. Officials of three unions met separately with bargainers for the American Telephone & Telegraph Co. to begin work on a new wage agreement to replace current contracts expiring with the Bell System this summer.

The Senate passed by voice vote a 150 million dollar aid authorization bill to provide disaster relief assistance to Pakistan, Nicaragua and the drought-stricken nations of Africa. The measure would authorize up to 50 million dollars in assistance for flood victims in Pakistan, 85 million dollars for drought-relief aid in Africa, 10 million dollars of which goes to Ethiopia, and not more than 15 million dollars for earthquake victims in Nicaragua.

The measure was sent back to the House which passed a similar bill March 28.

Andrew F. Brimmer says he will resign soon as a governor of the federal Reserve Board. Brimmer, 47, said in a letter to President Nixon that he is not leaving "because of any policy disagreements with my colleagues on the Board." and plans to begin teaching in September at Harvard University's Graduate School of Business Administration.

President Nixon has signed legislation setting up new programs to help combat drug abuse and alcoholism. One bill signed by the President Tuesday launches a three-year 374 million dollar program for prevention and treatment of alcoholism, to be directed through a new National Institute on Alcohol Abuse. Another bill he signed increases the regulation of methadone and other drugs used in the treatment of narcotics addicts.

In a public session May 15 the House Judiciary voted to serve two more subpoenas on President Nixon, one seeking eleven more taped Watergate conversations, the other seeking Presidential diaries covering various periods in 1973. The vote on the tapes subpoena was 7-1; votes on four separate sections of the second subpoena were also heavily in favor of demanding the documents. Committee Counsel

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John Doar said the Committee would be asked to subpoena more tapes May 16. After the subpoena vote, the panel was scheduled to go back into closed session to hear more of the tapes already in its possession.

Kenneth A. Gibson, the first Black mayor of Newark, N.J., has been elected to a second term, defeating State Sen. Anthony Imperiale and three other candidates. Primary elections were also held Tuesday in two states, with residents of Nebraska nominating Democratic Gov. J. James Exon for re-election, and West Virginia voters renominating Reps. John M. Slack Jr. and Robert H. Mollohan, Both Democrats.

The nation's industrial output rose in April for the first time in five months, largely because of a recovery in auto production, the government reported. The April increase of four-tenths of one per cent showed that the nation's business recovery may be on target with government forecasts.

The government reported the United States had a surplus of 865 million dollars in its balance of payments in the first three months of the year.

ELSEWHERE IN THE WORLD:

At least a dozen children and three Arab guerrillas died today when Israeli troops stormed a school where the gunmen were holding about 90 children hostage, press reports said. Israeli Information Minister Shimon Peres confirmed that several children had died.

The Senate passed by voice vote May 14 a resolution, introduced by Sen. Hubert Humphrey, Dem. Minnesota, condemning the kidnapping of Israeli schoolchildren at Ma'alot by Arab terrorists. It says such acts "exacerbate tensions" and are an "affront to human decency." It also calls on President Nixon to have a resolution introduced in the U.N. Security Council condemning the terrorists' act.

The two-part ruling coalition, shaking by the spy scandal resignation of Chancellor Willy Brandt, united to elect foreign minister Walter Scheel President of West Germany. Scheel, the 56 year-old chairman of the Liberal Free Democratic Party, won election on the first ballot of the Federal Assembly by a ten to 498 vote. His opponent was Christian Democrat Richard Von Weizsaecker.

A general strikes, believed to be India's first since independence in 1947, disrupted economic activity in India's major cities. Reports from around the country indicated the strike call had little effect elsewhere.

Gen. Antonio de Spínola, leader of the Junta that overthrew the heirs of the Salazar dictatorship on April 25, was installed as Portugal's 11th president.

The U.S. dollar bounded back today, gaining strongly on European money markets from Tuesday's low levels. Gold's price fell slightly.

India has eliminated Australia in the Davis Cup tennis competition the countries, besides India still alive in the 1947 competition are Romania, Yugoslavia, Czechoslovakia, South Africa, Sweden, and France.

Dow Jones Closing Averages: 30 INDUS 846.06 OFF 1.80
20 TRANSP 169.61 UP 0.04
15 UTILS 74.88 OFF 1.34
65 STOCKS 254.59 OFF 0.93
VOLUME: 11,240,000 SHARES

KISSINGER OFFERS CONDOLENCES TO PRIME MINISTER MEIR

by Marie Koenig
IPS Diplomatic Correspondent

Jerusalem, May 15 -- U.S. Secretary of State Henry Kissinger -- "shocked and outraged" by the Fedayeen terrorist attack on Israeli school children -- was joined by his wife Nancy in paying a condolence call on Prime Minister Golda Meir May 15 in the evening hours of a tense and tragic day.

Immediately after Mrs. Meir announced to the Israeli people over television that 16 children were dead, 20 other wounded and the three terrorists involved were killed, Dr. and Mrs. Kissinger paid their call on the Prime Minister.

Secretary Kissinger was into his fifth round of talks aimed at getting a Syrian-Israeli disengagement accord when the terrorists captured the teenage children who were on a holiday overnight stay in a school in Ma'alot, a town in Galilee near the Lebanese border.

The day and the night before brought a number of terrorist acts. Three rockets aimed at the center of Jerusalem from the Hill of Evil Council, one of them reportedly aimed at the King David Hotel where Dr. Kissinger is staying, were discovered and dismantled before they could be launched.

During the night of May 14 terrorists murdered a family of three Israelis in their beds and wounded eight women and a truck driver.

A package of explosives left near the former Mandelbaum Gate in Jerusalem exploded the same night, but caused no casualties.

Dr. Kissinger had been scheduled to meet the morning of May 15 with the Israeli cabinet to further confer on disengagement negotiations with Syria. The cabinet was concentrating all day and into the evening in attempts to gain the safe release of the children at Ma'alot.

On first hearing of the terrorists holding the children hostage at Ma'alot Dr. Kissinger issued the following statement:

(Begin Text)

I was shocked and outraged to learn of the attack by Fedayeen terrorists against a teenage campsite in Ma'alot early this morning and against other innocent civilians in the same area. Our hearts go out to the families and to all of Israel.

The United States government strongly condemns this mindless and irrational action and appeals to those holding innocent hostages to release them. Already, there are reports that a father, mother and their five-year-old have been killed and others injured.

Violence such as this will serve no cause but to undermine the prospects for peace in this area. Further, we believe that it is time for all responsible governments to make clear that, whatever their political differences, such inhumane acts must be condemned and those who carry them out dealt with severely.

SCHLESINGER FIRM ON U.S. SUPPORT TO ALLIES

Washington, May 15 -- The Defense Department has released the text of a press conference held by Secretary James R. Schlesinger at Hot Springs, Va., when he spoke to the Business Council meeting there May 10.

He discussed three principal points: the U.S. position in the world, the condition of the American military and its experiment with the all-volunteer force, and the defense budget. Following are excerpts of his comments.

(Begin Excerpts)

For the recent years, the trend has been upward for the European states in their share of the defense responsibilities. I would hope, but I am not counting on, an increase in the share for Europeans in this fiscal year or the next fiscal year because of the repercussions in Europe of the cutoff of petroleum and the associated recession and inflation that is occurring over there. I suspect that some of the NATO nations will indeed increase the real resources that they are putting into defense. The Federal Republic (of Germany) may be one of them....

I will say what I have said quite frequently, that the problem of them, of the western democracies, is that they are in a period of time in which their morale is low... Internal cohesion is weak... the weakness applies not only in the United States but overseas. It applies in Western Europe; it applies in Australia. It is a reflection of some deeper historical unsettlement that we do not fully understand. The weakness varies country by country. I think that Germany has tended to be the strongest element in European NATO... In this period of unsettlement, it ill behooves the United States to add to these difficulties by contemplating reductions in its own direct contribution to the NATO allies...

I think that the all-volunteer force represents an experiment that we have not fully tested and for the time being we intend to test it. If it works, and if it turns out to be the most satisfactory way of raising manpower for the military establishment, then I think it will be a permanent fixture...

(Secretary Schlesinger was asked if defense spending is being used as a stimulant to the domestic economy.) The first point that I should emphasize is that we have presented our budget on the basis that it contributes dollar-for-dollar to improvement of the national security... The answer to that (question) is that we may be spending something on the order of a (thousand million) dollars in outlays more than we would have been spending under different economic conditions... in FY' 74... I think that it reflects sound fiscal policy to adjust our fiscal policies to prevailing economic conditions.

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U.S. SEEKS TO EXPAND AID TO POOREST DEVELOPING NATIONS

Washington, May 15--the Nixon Administration is seeking Congressional support for expanding bilateral and multilateral economic assistance to those developing countries most adversely affected by the rising cost of food, fuels and fertilizers.

Secretary of State Henry A. Kissinger pledged the United States to a "major effort" in providing development aid to these countries during the recent special session of the United Nations General Assembly. That commitment was reaffirmed by President Nixon in his foreign aid message to the U.S. Congress April 24.

Mr. Nixon cited the effectiveness of past U.S. assistance programs in helping many developing countries to become economically self-sufficient.

Acknowledging the difficulties inherent in winning domestic support for expanded aid levels at a time when the United States is facing strong inflationary pressures at home and abroad, he warned that such "temporary sentiment" should not be allowed to obscure the nation's long-range interests.

"The percentage of America's Gross National Product dedicated to foreign assistance is small," he said. "It is less, indeed, than that of some other nations. But it is a wise investment, undertaken with bipartisan support in the interest of our own nation, in the interests of our historical role as a generous and courageous defender of freedom and human rights in the interests of world peace.

"With our assistance, other nations have reached a point where they can share this burden. But we have not yet reached the point where we can safely lay it down."

In recognition of the urgent world-wide demand for more food and the United States' particular expertise in producing it, Administration officials say that the major thrust of U.S. development assistance during the coming fiscal year (which begins July 1, 1974, and ends June 30, 1975) will be toward raising agricultural productivity and improving nutrition in the poorest developing nations.

These officials are hopeful that the current bumper wheat crop -- which resulted from the elimination of all production controls last year -- will provide a surplus that can be sold on concession terms or donated in the form of emergency relief to developing countries suffering from drought and other natural disasters. The United States has also indicated its willingness to consider, on a case-by-case basis, the possibility of debt renegotiation and deferment as a means of providing immediate relief to those countries particularly hard-hit by rising food, fuel and fertilizer prices.

Mr. Nixon revealed in his foreign aid message that about 60 percent of the U.S. bilateral aid program will be aimed at increasing food production in developing countries. He is requesting a total of 1,140 million dollars in bilateral assistance for the coming fiscal year, 876.5 million dollars of which has already been authorized (but not yet appropriated) by the Congress. In addition to increasing food production, the program will focus on providing family planning and basic health services and strengthening education programs.

Specifically, Mr. Nixon is asking Congress to authorize an additional 255 million dollars in food and nutrition aid over and above the 291-million-dollar level already approved for fiscal 1975. This together with funds available from loan repayments and other sources, would bring the total food and nutrition aid proposed for the coming year to 675 million dollars. Only 284 million dollars was authorized for this activity in the fiscal year ending June 30, 1974. Administration officials note that bilateral U.S. food aid is aimed primarily at increasing output per acre, especially on the several hundred million small farms of the developing world through labor-intensive (job-creating) agriculture.

The program seeks to strengthen local institutions and involve the poorest majority in development efforts. It aims at diversifying agricultural production, and integrating agricultural, industrial, and social development so that progress in one area spurs the others. Goals are to improve nutrition, assure the poor access to roads, better land, electricity, water and other utilities, increase employment and improve income distribution.

It also promotes the establishment of private banks, of financial cooperatives, agricultural extension services, warehouses, and market and transportation facilities in rural areas.

To improve nutrition, the United States sponsors agricultural research programs aimed at increasing yields of protein-rich legumes and breeding new food grain varieties. Other methods employed include the selective fortification (with proteins, vitamins and minerals) of mass-consumed foods; encouraging industrial production of new food products; supplemental feeding programs for pregnant and nursing mothers and children under five, and nutrition education.

In his April 24 message to the Congress, President Nixon emphasized that "a strong bilateral U.S. foreign aid program can be fully effective... only if it is complemented by continued, active multilateral assistance efforts."

He urged the early approval of pending legislation that would authorize U.S. contributions of 62 million dollars for the ordinary capital fund and 50 million dollars for the special "soft loan" window of the Asian Development Bank, as well as appropriation of an already-authorized 500-million-dollar U.S. payment to the special fund of the Inter-American Development Bank.

Mr. Nixon also asked the House of Representatives to reconsider its recent vote denying a proposed 1,500 million-dollar U.S. contribution to the fourth replenishment of the International Development Association (IDA), the concessional lending facility of the World Bank which provides project grants to those developing nations with per capita annual incomes of less than 120 dollars.

"It is inconceivable that the United States should abandon such a successful international activity. . .," he said. "Such a step would constitute a false economy in violation of the very principles toward which we would hope to move in providing foreign development assistance."

Support for the proposed IDA replenishment has been gaining in the U.S. Senate, where many members traditionally favor multilateral aid over bilateral programs. A bill that would authorize a 150-million dollar U.S. contribution to be appropriated in "four annual installments of 75 million dollars each" has been introduced by a bipartisan group and is scheduled for floor discussion by the full Senate.

Supporters of the measure point out that the proposed IDA replenishment would enable the United States to reduce its share, from 40 percent of IDA resources to 33 percent of the latest proposed 4,500 million dollar replenishment. It would also allow smaller annual payments spread over a four-year period, rather than the customary three years.



ຂ່າວສຳນຳ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/17/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

President Nixon says he has given long thought to the possibility of resignation but has decided he will not quit the nation's highest office "under any circumstances." His strongest vow to date not to resign came in an interview with columnist James J. Kilpatrick published in the Washington Star-News. In the interview the President said that if impeached he would defend himself to the bitter end in trial proceedings before the Senate.

Top presidential adviser Alexander Haig, shedding executive privilege, has injected the name of Treasury Secretary William Simon into the unfolding tale of Howard Hughes' 1972 campaign contribution, a Committee source says. Haig, testifying at a three-hour closed session of the Senate Watergate Committee Wednesday, said Simon told the White House last year that the Internal Revenue Service was investigating the 100,000 dollar cash gift from Hughes, according to a source.

The General Accounting Office disclosed that it intends to seek access to records of the White House Gifts Unit in an investigation of compliance with the law regarding foreign gifts to government officials and the First Family. A spokesman said the GAO received a letter from the Senate Foreign Relations Committee April 11 asking the Agency "to make a review of the Administration and operation of the Foreign Gifts and Decoration Act of 1966" and subsequent legislation.

The Justice Department has asked the Federal Communications Commission (FCC) to take quick action a proposal that would end cross ownership of newspapers and broadcast stations in the same market areas.

House Democrats voted Wednesday to let the House consider an immediate, retroactive end to the oil depletion allowance, one of the oil industry's biggest federal tax breaks. In the process, the Democratic Caucus successfully challenged the authority of the Ways and Means Committee and its chairman, Wilbur Mills, by ordering the Ways and Means and the Rules Committees for the first time, to open a tax bill to floor amendments.

Senate antibusing forces, narrowly defeated Wednesday in a move to restrict busing severely, reintroduced the proposed bar in a surprise move. Assistant Senate Republican Leader Robert Griffin proposed a cutdown version of the proposal, defeated by one vote Wednesday, to prohibit the busing of a student beyond the second closest school to his home.

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ELSEWHERE IN THE WORLD:

A big rush to buy U.S. dollars continued to push up the value of the American currency on European foreign exchange markets. In Frankfurt, market conditions were hectic as the dollar rose rapidly to touch 2.50 West German marks -- an increase of 5.75 percent from a low of 2.37 marks on Tuesday.

Russia, pushing for a new Soviet-oriented anti-American Arab block has offered Libya a SAM air defense system, other arms and advisers, Middle East diplomatic sources are reported to have said.

Israeli Phantom jets carried out intensive raids against heavily populated Palestinian refugee camps in Lebanon in retaliation for the Arab guerrilla attack Wednesday that killed 20 persons and wounded 287 in the Galilee village of Ma'alot.

The newly-constituted Yugoslav parliament elected President Tito to office for life and confirmed the appointment of the nine members of the State Presidium which Tito intends should run the country after his death.

Dow Jones Closing Averages: 30 INDUS 835.34 OFF 10.72
20 TRANSP 168.76 OFF 0.85
15 UTILS 75.63 UP 1.75
65 STOCKS 253.08 OFF 1.51
VOLUME: 12,090,000 SHARES.

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NIXON MESSAGE ON TERRORIST ACT AT MA'ALOT

Washington, May 16 -- President Nixon says the terrorist act perpetrated at Ma'alot in northern Israel May 15 "underscored once again the need for true peace in the Middle East" and that the United States will continue working toward that goal.

His pledge came in a May 15 message of personal condolences to the Prime Minister of Israel. Following is the text of the message:

Dear Madame Prime Minister:

Our sorrow for the tragic loss of so many of Israel's children at Ma'alot cannot be expressed in words. Mrs. Nixon and I, along with all Americans, grieve with you and with the parents and schoolmates of those who died. This senseless act of terrorism has underscored once again the need for true peace in the Middle East. I can assure you that our efforts toward this goal will not waver. Please extend, Madame Prime Minister, my personal condolences to the Israeli people in this time of mourning.

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CONGRESSIONAL NOTES

Floor Action -- The Senate passed a 22-million dollar authorization for the Arms Control and Disarmament Agency over the next two years and sent the measure to the House, which has passed a one-year authorization.

Military Academies -- A House Armed Services Subcommittee will begin hearings May 29 on proposals to admit women to the U.S. military services academies. Five bills introduced by 3 members of the House would admit qualified applicants regardless of sex.

Vice President -- The Senate May 16 passed and sent to the House a bill providing, for the first time, an official residence for the Vice President of the United States. The proposed home, used for more than 40 years as the residence of the Chief of Naval Operations, is located on the grounds of the U.S. Naval Observatory in Washington, D.C. New quarters would be provided for the incoming CNO on July 1.

Opium -- A House Foreign Affairs Committee special study mission to Turkey March 14-16, in a report to the Committee entitled "The Politics of the Poppy," says "The possible rescission of the poppy ban (by the Turkish government) could form the most serious Turkish-United States crisis since the end of World War Two," when the United States was confronted by what the reports described as a period of Soviet adventurism in Turkey.

OPIC -- The House May 16 voted 225 to 152 to extend the authority of the Overseas Private Investment Corporation to insure American corporations abroad through December 31, 1977. That authority was scheduled to expire December 31, 1974. The bill establishes a tentative timetable for the phased transfer of OPIC's direct insurance functions to private and multinational lending institutions. OPIC was created in 1969 as independent agency assuming A.I.D.'s insurance functions. The Senate in February passed an OPIC phase-out bill. Differences between the two measures must be reconciled.

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FOOD FERTILIZER CRISIS DANGEROUS FOR ASIA

New York, May 16 -- Changing weather, the uncertain world economic and agricultural situation, and the growing dependence of Asian countries on modern inputs to achieve rapid agricultural production, place the area in an extremely vulnerable position in the opinion of an American expert on rice technology.

Dr. Rudolph Barker, a Cornell University specialist now working with the Philippine Rice Institute, predicted to an Asia House audience May 15 that higher food prices will disadvantage the poor and slow the pace of economic development.

International organization and developed countries will have to make a more concerted effort to adopt new policies and programs to reduce fluctuations in food prices Dr. Baker said. Developing countries, he said, will have to deal directly with oil producers to guarantee adequate supplies of fertilizer and feedstock at reasonable prices. Special attention will have to be given to the more efficient use of available fertilizer.

Above all, Dr. Barker said, "we must determine and sort out the factors" that contributed to the food and fertilizer problem, the social and economic restraints. "Our whole concept in thinking about agriculture and economic development rests on the hope that we can develop a technology which will enable us to produce sufficient food. Food is going to be increasingly more expensive and this has serious longrun implications in terms of how rapidly we can develop economies."

In 1973 and 1974 crops were very good compared to 1971 and 1972, he pointed out. "Despite these very favorable years, however, we were more or less barely able to replace stocks and meet existing needs."

Price trends in the Philippines, India and other Asian countries have attested to this fact, he said. High prices from the drought of a year or so ago still have impact today. "We are only just able to

replace stocks." The most critical factor for the year ahead under these circumstances vis-a-vis rice production is "what happens to the weather." He suggested that "if it is a good year we are in good shape; if it is a bad year we are in very very bad shape." Weather can swing the situation four or five percent up or down in a year.

"What we are talking about in fertilizer is not the short run. We definitely have a short run situation. In the next couple of years there will be short supply. Asia, among other developing areas, is the biggest importer of fertilizer."

Situations differ from country to country, he continued. "It depends on how each country is hit by different energy situations. The current world food situation affects them differently. "If you have oil and things to sell, it means something.

Ironically, he also said that fertilizer "over the long haul may be in a situation where by the late 1970's or early 1980's we will be facing a surplus again. We don't have the ability to predict in detail with accuracy. People will overplan and somebody has to watch carefully."

For this reason he stresses the new international look that must be given to the problem. "We don't have a real feel for this kind of situation. There is no worldwide grasp of what is happening at any given time."

Dr. Barker also described how different regions in Asia have made use of high yield rice strains, while other countries have preferred or been forced by circumstances, to stick to the local strains. This poses problems for the farmer from a socio-economic standpoint, and for the researcher who wants to move ahead faster. With the higher yield rice, and more sophisticated technology, the farmer encounters more complicated problems..

"It is a matter of the social structure that dictates how the new technology will be shared," he said. It has been "conventional wisdom" that the new technology has benefited the big farmer more than the small one up to now. Much depends on the size of land holdings and the operating units within them. There has also been "tremendous pressure" on the low income groups.

Greater emphasis will have to be put in the future, Dr. Barker concluded, not just on a "seed-fertilizer" revolution but on assuring equitable production and distribution of existing food and fertilizer supplies in the next crisis ridden years.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	0700-0900 local
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	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and
			2130-2300 local

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ຂ່າວສຳຄັນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/20/74

NEWS ROUNDUP

VOA

French Elections -- Conservative Finance Minister Valery Giscard d'Estaing has been elected president of France. He defeated leftist François Mitterand by a narrow margin in their runoff Sunday.

Indian Nuclear Test -- Indian officials say their first underground nuclear test resulted in a crater about 400 meters across. They say however the radio activity released was negligible. The announcement was made by the director of the atomic research center near Bombay. India's leaders and press hailed their country's first nuclear test while other countries, especially Pakistan and Japan, expressed regret and concern. Prime Minister Indira Gandhi said India will not use its new found nuclear potential for military purposes. Pakistani Prime Minister Ali Bhutto said his nation will not be intimidated and will not become a victim of nuclear blackmail. He said Pakistani emissaries will discuss the matter in meeting with the U.N. Secretary General Kurt Waldheim and leaders of France, Britain, China, the U.S. and Canada. He will also discuss the question with Soviet leaders during his visit to Moscow. The Japanese government, the four Japanese opposition parties, and the mayors of Hiroshima and Nagasaki all expressed regret.

Near East Negotiations -- The Israeli Information Minister says the disengagement lines proposed by U.S. Secretary of State Henry Kissinger could be accepted by both Israeli and Syria. He made the statement in Jerusalem while Dr. Kissinger continued talks with Israeli leaders about details of proposals which Syria has already provisionally accepted. A U.S. spokesman said the Israelis had expressed a favorable attitude toward the proposals and had given the U.S. their detailed views on other aspects of a possible agreement. These include an exchange of war prisoners, a buffer zone with U.N. presence, and a limitation of Israeli and Syrian forces. Dr. Kissinger has instructions from President Nixon to stay in the Middle East as long as needed to work out the agreement. He is expected to make several more round trips between Israeli and Syria.

Israeli destroyers shelled a Palestinian camp in Lebanon Sunday. News reports from scene said at least 7 persons were killed. An Israeli spokesman said the targets were buildings and installations used by a guerrilla unit and he said all ships returned safely to port. A Lebanese communique said four Israeli destroyers operating with air cover took part in the 45-minute attack. It said Lebanese coastal batteries reported a direct hit on one of the Israeli ships before they withdrew. A later Lebanese communique said Lebanese troops exchanged fire with two Israeli patrols in South Lebanon near Mount Hermon, forcing the Israelis to retreat. There was no word on casualties.

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Vietnam -- A large South Vietnamese force has massed just north of Saigon to counter the attacking North Vietnamese and Viet Cong units which moved to within 25 kilometers of the capital. However, only sporadic fighting was reported Sunday following Communist seizure of three government positions near Saigon over the last several days. Despatches say it is not immediately known if most of the Communist units had withdrawn to strongholds in the northwest or were maneuvering for a new attack. In the meantime, government troops in eleven provinces around Saigon remain on full alert. In other developments news reports say communist troops fired artillery and rockets into a number of military bases and cities across the country including the former imperial capital of Hue and the coastal city of Qui Nhon. Some casualties are reported.

Cambodia -- In Cambodia, government troops are continuing to make progress in their drive towards Long Vek base. At Long Vek the defenders have beaten back several Communist ground attacks. Elsewhere, communist pressures continued against the provincial capital of Prey Veng with a number of ground attacks and shellings being reported.

Australia -- It may be several days before the winner is known of Australia's general election. With about 80% of the vote counted, Prime Minister Gough Whitlam of the Labor Party held a slim lead over the coalition of the Liberal-Country Party headed by Bill Snedden. However Prime Minister Whitlam has not claimed victory and Mr. Snedden said he will not concede defeat because of the closeness of the vote.

Congress on Southeast Asia -- The House of Representatives Monday begins debate on a military procurement bill totaling 22 thousand 600 million dollars. The legislation approved a controversial provision that would boost military aid for South Vietnam next year by 274 million dollars.

The Defense Department has told Congress about a 5-year rain making operation conducted in Indochina to slow the Communist movement of supplies and troops along the HoChiMinh Trail. The operation involved seeding clouds with rain producing silver iodide to produce rainfall and were carried out between 1967 and 1972. Details of the operation were given to a Senate Foreign Relations sub-committee last March and made public by the sub-committee this weekend.

Watergate -- Two members of the House Judiciary Committee say the edited Watergate transcripts do not provide enough information for the committee to judge whether President Nixon should be impeached. Rep. William Cohen, Rep. Maine, told TV interviewers the transcripts are filled with many deletions, omission ambiguities. Rep. Wayne Owen, Dem. Utah, he believes the transcripts do not tell the whole Watergate story. In another TV program, two Republican senators both said they do not think the President should resign. Republican party chairman George Bush urged the Judiciary Committee not to make a judgement or statement until all the evidence of impeachment has been presented.

WASHINGTON ECONOMIC NEWSLETTER

Petroleum Prices and the Monetary fund - David Rockefeller, board chairman of the Chase Manhattan Corporation, suggested in a recent speech to the Business Council that "while oil prices may eventually come down somewhat, my own judgment is that plans and policies throughout the world should not be based on such an assumption." He recommended that governments should, instead, "face up" to the question of recycling oil revenues for the benefit of countries that need them, in cooperation with the oil producers.

The over-all surplus of these producers may reach as high as 65,000 million dollars this year, compared with the 1973 figure of about 7,000 million, according to Johannes Witteveen, managing director of the International Monetary Fund. During a trip he made to the Middle East in April several countries showed a willingness to lend the equivalent of 2,300 million dollars to the Monetary Fund. The money would be used to set up a special oil import financing agency which would grant loans to petroleum-importing nations. IMF officials hope that this agency can start to function in the middle of this year.

U.S. Economic Indicators -- The U.S. economy is basically sound and will show further strength as the year progresses, according to the business Council, an organization of the heads of 100 large corporations. At a meeting this month in Hot Springs, Virginia, the business leaders told reporters they are concerned about inflation, high interest rates and shortages of some materials but they are encouraged over strong retail sales, continued expansion of productive capacity, and the government's removal of price controls.

International Trade Conference for ECAFE Nations -- Prospects for stimulating trade between East Asia-Pacific countries and the north-western region of the United States will be reviewed in June when business and government representatives from these and other Asian countries meet in Honolulu, Hawaii, and Seattle; Washington. From 16 to 20 nations are expected to be represented at the Trade and Development Conference sponsored jointly by ECAFE and the Washington State Governor's Commission.

Offshore Oil Drilling --- Thailand has sold a petroleum concession in the Andaman Sea To Esso Exploration, a subsidiary of Exxon Corporation, an American firm. The price of 44 million dollars is a record for the right to search for oil off Thailand.

The Union of Oil Company of California announced that its subsidiary, Union Oil Company of Thailand, has made an agreement with the Thai government to explore an area in the Andaman Sea covering five million acres, according to the New York Journal of Commerce. Following seismographic work, drilling is expected to start by the end of 1975, the company said in Los Angeles.

Mining for Metals in the Pacific -- A group of Japanese firms has joined an American corporation in a plan to develop and evaluate a Pacific Ocean site for the recovery of copper, nickel, cobalt and manganese in marketable quantities in the form of nodules from the sea floor. The project is expected to take as much as three years and 20 million dollars to carry out. The firms are: Tenneco, Inc, of Houston, Texas; Nichimen Company Ltd; C. Itoh and Company, Ltd.; and Kanematosu-Gosho, Ltd, all of Tokyo. Three years ago a similar joint venture, expected to last five years, was begun by one American, one Japanese, one Canadian and two British firms.

American Industrialists Visit Korea -- Former U.S. Treasury Secretary David Kennedy headed a group of American industrialists and bankers who investigated South Korea's investment potential in mid-May. The visiting Americans were invited to establish enterprises to produce items for export. U.S. corporate investment in South Korea amounts to about 180 million dollars.

CONGRESSIONAL ROUNDUP

Defense Budget -- The Senate Armed Services Committee May 17 recommended to the Senate a 27,800 million dollar military procurement authorization bill for fiscal 1975, cutting 1,300 million dollars from DOD requests. The House Armed Services Committee has recommended a 22,600 million dollar authorization bill, to be acted upon by the House May 21. Last year, Congress appropriated 20,200 million dollars and a 1,300 million dollar supplemental request is currently before Congress. Under the proposed Senate bill, military manpower would be cut two percent and civilian manpower four percent by June 30, 1975, with the cuts to be "in certain support activities, including overseas headquarters, and not in combat categories."

The Committee also called for reduction in the Administration's requested amount for military aid to South Vietnam - from 1,600 million dollars to 900 million dollars). (The House committee recommended 1,400 million dollars). The Senate committee also recommended a 20 percent reduction in U.S. support troops in Europe (about 23,000 positions) over a two-year period, permitting but not requiring corresponding increases in combat forces.

Energy Research -- The Senate May 16 passed and returned to the House a bill authorizing 834.8 million dollars for civilian scientific research and education programs within the National Science Foundation. It was the largest authorization ever approved for the Foundation. One-third of the amount would be used for research into new energy sources, with major emphasis on solar and geothermal energy which, it is estimated, could produce as much as 30 percent of the nation's energy needs by the end of the century.

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	25 meter band	11760 kHz	0700-0900 local
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	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສານ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/21/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Declaring that the end of controls may boost doctor bills by 22 per cent this year, President Nixon said today that national health insurance is needed so "every American has financial access to high quality health care." In the text of a nationwide radio address, Nixon said he welcomes rival insurance bills sponsored by others and professed willingness to compromise on his own plan so long as this does not "violate the basic principles of our proposals." However, he complained that the two competing Democratic-sponsored measures would rely too heavily on management by the federal government. The Senate Finance Committee will begin hearings Tuesday on health legislation.

According to wire reports, major battles are expected on the House floor as Congress begins debate on the biggest peace-time defense budget in U.S. military history. The recommended budget is for 91.33 billion dollars.

A House vote is expected sometime this week on the legislation to end one of the oil industry's biggest tax breaks, the 22 per cent oil depletion allowance.

Japanese Foreign Minister Masayoshi Ohira began an informal visit to Washington May 20 by calling on Acting Secretary of State Kenneth Rush and Assistant Secretary of State for East Asian and Pacific Affairs Robert S. Ingersoll.

Mr. Ohira will call on President Nixon at the White House May 21. That evening he will address the annual dinner of the Japan Society.

May 19, Mr. Ohira received an honorary Doctor of Laws degree from Yale University in New Haven, Connecticut.

ELSEWHERE IN THE WORLD:

A study on Soviet nuclear arms strategy lends credence to reports that the U.S.S.R. maintains a permanent nuclear strike capability in Cuba which could wipe out as much as two-thirds of the United States in the event of atomic war. The report, published in book form by the Center for Advanced International Studies at the University of Miami, said the Soviet nuclear strength is considered by the Kremlin to deter U.S. intervention in the Caribbean Island. The study is authored by Prof. Foy Kohler, former U.S. Ambassador to Moscow; Prof. More Harvey, Director of the Center and Dr. Leon Coure, Director of Soviet studies at the Center.

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Valery Giscard d'Estaing, winner of France's closest presidential election, moved quickly to put together a "new era" government to face challenges by a powerful left that nearly defeated him.

Dow Jones Closing Averages: 30 INDUS 812.42 OFF 6.42
20 TRANSP 163.96 OFF 2.40
15 UTILS 75.89 UP 0.32
65 STOCKS 247.14 OFF 1.94
VOLUME: 10,550,000 SHARES.

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CONGRESSIONAL ROUNDUP MAY 20

Soviet Parliamentarians -- An official eight-member delegation from the Supreme Soviet, the parliamentary body of the Soviet government, began a three-day visit to Capitol Hill May 20. The group was welcomed by Speaker Carl Albert and by Senator John Sparkman, Alabama Democrat, who chairs the U.S. Interparliamentary Union. The Soviet group is headed by B.N. Ponomarev, who chairs the Committee on Foreign Relations of the Chamber of Nationalities of the Supreme Soviet. The group includes one woman, Mrs. E.P. Pukhova, who also is the manager of a textile factory in Ivanovo. Speaker Albert told newsmen the Soviet group "is the largest, most prestigious delegation ever to leave the Soviet Union." And Yul M. Vorontsov, minister counselor of the Soviet Embassy in Washington, said the group's visit to Congress "is a really historic event. It's the first contact between the two parliaments in the history of U.S.-Soviet relations."

Military R&D -- The Senate Armed Services Committee is recommending 8,950 million dollars for military research and development in the annual military procurement bill reported out May 17. This compares with 9,300 million requested by DOD, and 9,000 million recommended by the House committee. The Senate Committee rejected 13 to 2 the recommendations of its R&D subcommittee and approved 77 million dollars for three programs improving yield and accuracy of strategic missiles. A House vote on the bill is expected May 21; A Senate vote is likely to follow soon after.

Olympics -- The Senate May 20 approved a bill to create a National Commission on the Olympic Games. The bill, sponsored by Senator Tunney (D., Calif.), calls for a nine-member group to be appointed by the President to evaluate the structure and policies of the U.S. Olympic Commission, which now has exclusive jurisdiction over all matters relating to U.S. Olympic participation. The evaluation would be completed by the end of 1974, in the time for implementation before the next Olympic Games in 1976.

The new commission would review, among other things, the selection process of athletes, coaches and officials for the U.S. Olympic Team, and it would study areas over which the United States does not have direct control, such as the conduct of awards ceremonies which have been criticized for excessive nationalism.

Tunney said his legislation can enable the United States "to mount an effort for the 1976 Olympics free of the chaos and bungling that has marred U.S. participation in the past."

State/USIA Authorization -- The Senate May 20 passed by Voice vote the USIA and State Department authorizations for fiscal 1975. The bill was passed as reported out of the Foreign Relations Committee and totals 238,009,000 dollars for USIA and 741,915,000 dollars for State. The House version of the bill has not yet been reported out by the Foreign Affairs Committee, which marked up the measure last week.

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ENGINEERS CALL FOR CONSERVATION AND NEW ENERGY SOURCES

Washington, May 20 -- Americans should begin on 11-year program of drastically conserving energy and of spending up to 600,000 million dollars in private funds for new energy sources, transportation and related needs, a new study suggests.

These are the conclusions of a non-government task forces of the prestigious National Academy of Engineering which released a comprehensive 141-page report titled "U.S. Energy Prospects -- An Engineering Viewpoint."

The report concludes that practical possibilities exist for bringing U.S. supply of energy into balance with the conservation - reduced demand by 1985, and that it could be done without putting the economy on a wartime style emergency footing.

Nevertheless, the task force cautions that "it may not be possible or even desirable to cease importation altogether, even by 1985." One reason is that even though over all U.S. energy production and consumption could be in balance by then, they believe that the demand for energy in the form of petroleum will still fall short of domestic oil production by 2.6 million barrels per day. At the same time, the United States could be exporting energy in the form of coal.

Also, unexpected problems could delay some of the programs that now look feasible to the panel of experts. "Achieving the complete range of programs described in this report by 1985 is not considered by the task force to be of high probability," they said.

Even after taking these caveats into consideration, "the task force believes that the United States has the resources and the technology... to reduce (oil) imports by 1985 to a practical minimum that will be consistent with national policy if it is desired to do so," the report states.

Whether the United States has enough energy in the coming years will directly affect, among other things, the ability of the nation to continue exporting large amounts of food, according to Dr. Robert Seamans, President of the Academy. He is former Secretary of the Air Force and former Deputy Administrator of the National Aeronautics and Space Administration.

He was joined in a Washington press conference by W. Kenneth Davis, Vice President of Bechtel Power Corporation and chairman of the task force, at the unveiling of the report. Other members included four professors of engineering, five more energy industry executives, and a state employee.

Following are other highlights from their report:

-- The United States now uses the equivalent of 37 million barrels of oil a day, which could rise to 57 million barrels by 1985. (One barrel contains 159 liters). Strict conservation measures could reduce this demand by 1985 to about 49 million barrels daily. Conservation would include the use of smaller automobiles, more insulation in buildings, less building heating and air conditioning, and strict rules against waste in industry.

-- The training of 125,000 more coal miners and the opening of 250 new mines - surface and underground -- would be needed by 1985. Such an expansion would require many thousands of new railroad cars and barges, new coal-carrying pipelines and new mining machinery.

-- Much of the new coal mined would be burned by electric generating plants, in place of gas and oil, while much coal would be converted into coal gas and coal oil.

-- Between 240 and 360 new nuclear plants should be built in the next decade, so that the United States would be generating a third of its electricity by nuclear means.

The rate of oil-well drilling would have to be doubled to an average of 58,000 wells a year, and oil fields would have to be "squeezed" harder to obtain as much oil as possible domestically. Much of the increase would come from Alaska and from offshore wells.

By 1985, ten large oil-shale retorts and 50 small retorts would have to be built in the Rocky Mountains, which contain enormous quantities of oil-bearing shale rock.

-- Modest expansions would have to be made in hydroelectric power and in power from geothermal steam from beneath the earth's surface.

--The engineers' proposals would double coal production, increase nuclear power capacity to one-third of total electrical capacity, increase domestic oil and gas production by 25 percent, and develop technologies to produce oil from shale and gas and oil from coal amounting to the equivalent of 2.2 million barrels of petroleum per day.

-- "An extensive manpower training program will be needed" to provide 460,000 additional engineers, skilled construction workers, and other men for energy projects.

-- A balance will have to be reached between the energy objectives and environmental contaminants such as sulfur dioxide, excess steam and hot water, and oil spills.

--Government and industry will have to cooperate more closely in a sustained effort involving nearly all citizens.

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ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/22/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Sen. Henry Jackson, Dem. Wash, said President Nixon is too preoccupied with other matters and should appoint someone else to deal with the nation's economy. Without mentioning Watergate, Sen. Jackson said the problems facing Mr. Nixon "preclude him from providing the nation with forceful leadership in dealing with our unprecedented and chaotic economic problems."

The General Accounting Office estimates that the White House has spent 82,474 dollars on lawyers, fees, salaries and travel relating to the Watergate case. The estimate pushes the total estimated cost to the taxpayer of Watergate-related investigations to some 6.5 million dollars. The figure includes operating costs for the Special Prosecutor's office, three grand juries, the Senate Watergate Committee, the House Judiciary Committee's impeachment inquiry and a GAO investigation of government funds spent on houses owned by President Nixon.

Passage of a National Health Insurance Bill should be the "highest priority item" in the closing months of Congress, Senator Russell Long, Dem.-La. said. As chairman of the Senate Finance Committee, Long has major influence on the future of health insurance legislation. "Just yesterday President Nixon spoke to the nation on the issue of health insurance and said that 1974 can and should be the year in which the Congress passes national health insurance legislation," Long said. "I completely agree with the President in this regard." Meanwhile, NEW Secretary Casper Weinberger attacked a Democratic health insurance proposal as offering little relief from steadily mounting medical costs to many families in the 5,000 to 15,000 dollar income range.

Testifying at the opening of Senate hearings on a variety of health care proposals, Weinberger said a plan by Sens. Russell B. Long, Dem. La, and Abraham Ribicoff, Dem.-Conn., would "warp our health care delivery system towards the most expensive type of care (and) would arouse a lot of false expectations."

Rep. Wilbur Mills, Dem. Ark, chairman of the House Ways and Means Committee, says he will attempt to block a House vote on immediate elimination of the oil depletion allowance.

Less than one out of every hundred gasoline stations across the nation are now out of fuel and only two out of a hundred now limit purchases, according to an American Automobile Association survey.

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The Federal Power Commission warned that barely-adequate fuel supplies for power plants can easily develop shortages that could force electric brownouts this summer.

Police and federal agents in Los Angeles, California say that they have received hundreds of reports about missing newspaper heiress Patricia Hearst. Miss Hearst and two companions, members of the Symbionese Liberation Army, are wanted in the robbery of a Los Angeles sporting goods store. Police say that Miss Hearst, originally the victim of an SLA kidnapping, could be charged with kidnapping, assault with intent to murder, and assault with a deadly weapon.

ELSEWHERE:

The government of Thailand resigned en masse Tuesday, bowing to public criticism over its failure to halt skyrocketing inflation and solve other domestic problems.

Prime Minister Sayna Dhammasak and his cabinet, however, were expected to continue running the country for a few more days until a successor can be found and approved by King Bhumibol Adulyadej.

Hours after the cabinet resigned, a delegation of students visited Sanya and asked him to continue. Students were also instrumental in bringing about the fall of the military government last October after 10 days of violent demonstrations that killed 67 persons.

Iran has become the second country in the past week to threaten to withdraw from the 4-nation international commission supervising the Vietnam ceasefire. In a letter to North Vietnam and the other commission members, Iran charged Hanoi with an "uncooperative attitude and lack of goodwill" stemming from Communist refusal to cooperate in the investigation of a school shelling in which six children died. Iran was the only commission participant to go to the scene and was accused by Hanoi of "unilateral investigation." Last week, Indonesia also threatened to withdraw because of repeated ceasefire violations, but later decided to stay.

Delegates to the Geneva Disarmament Conference criticized India for last weekend's nuclear test which made her the world's sixth nuclear power. U.S. delegate Joseph C. Martin Jr. said such nuclear proliferation "will have an adverse effect on world stability."

Israeli bombers raided terrorist targets in Southern Lebanon Tuesday in line with Premier Meir's vow to hit Arab guerrillas wherever they are. Fighting flared again with Syria on the Golan Heights.

Communist gunners poured more than 1,000 rounds of mortar and artillery fire onto counter-attacking South Vietnamese government forces in the sixth day of a major battle for the northern approaches to Saigon.

The Export-Import Bank has authorized a credit of 180 million dollars to the Bank for Foreign Trade of the USSR. The bank said the credit will not only assist in the export of 400 million of U.S. goods, but also promises major additional benefits in saving natural gas and bringing needed fertilizer to the United States. The Eximbank will be involved only in financing U.S. exports, but this transaction is part of a program between the Soviet Union and American companies under which super-phosphoric acid, which the U.S. has in relative abundance, will be shipped to the Soviet Union and two nitrogen fertilizers (ammonia and urea), which are scarce in the U.S., plus potash, will come to the United States. The nitrogen fertilizer will be made with Soviet natural gas.

Dow Jones Closing Stock Averages: 30 INDUS 809.53 OFF 2.89
20 TRANSP 163.77 OFF 0.19
15 UTILS 74.93 OFF 0.96
65 STOCKS 246.09 OFF 1.05
VOLUME: 12,190,000 SHARES.

U.S. CAUTIONS THAT MIDEAST DISENGAGEMENT IS 'NOT IN THE BAG'

by Marie Koenig
IPS Diplomatic Correspondent

Damascus, May 21 -- As Syria and Israel negotiate one-by-one the collateral issues of a disengagement accord, a senior U.S. official accompanying American Secretary of State Kissinger cautions that the agreement is not in the bag.

On the eighth Kissinger shuttle flight between Israel and Syria May 21, the senior U.S. official said there was a possibility that the separation of forces pact may not be wrapped up by the time Dr. Kissinger leaves the area.

Having already extended his mission by three days, Secretary Kissinger is reported to be determined to start his return for the United States on May 24 or May 25.

It is hard to believe, the senior U.S. official said, that Syria and Israel will not eventually solve the problems that are holding up an accord. But, he said, a recess and then a resumption of the talks may be necessary.

It has been reported earlier by the senior American official that there is provisional agreement by Syria and Israel on the demarcation line and that what remains to be settled on that issue is manageable.

Secretary Kissinger arrived back in Damascus May 21 with the objective of moving the talks ahead across the board on the collateral elements of the accord. These are the width of the buffer zone, what role the United Nations will play, the limit of forces on both sides, and exchange of prisoners.

Asked if Secretary Kissinger was finding the talks more difficult than he had imagined, the senior U.S. official said the Secretary of State has always been aware of how tough it is to get the Syrians and Israelis to arrive at an agreement.

Neither side, the American official observed, is noted for specializing in making concessions. The situation now is time consuming because the two sides continue to negotiate on all the points of an agreement rather than making a mass move to reach a settlement.

Dr. Kissinger, this high official said, remains hopeful that an agreement will be reached before he goes back to Washington but the Secretary of State is looking realistically at the status of the talks.

As a comparison, the senior U.S. official recalled that when Dr. Kissinger helped the Egyptians and Israelis achieve a separation of forces accord, the line of demarcation was established on his second shuttle between the two countries and only five or six more days were taken to complete the agreement.

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MORE U.S. BLACKS GETTING HIGHER EDUCATION, STUDY SHOWS

Washington, May 21 -- More and more black graduates of high schools in the United States, even though many come from low-income homes, are not only aspiring to go to college, but actually getting higher education to prepare themselves for professional careers.

This was one of the major points that emerged from a two-year study (1972-1973) of 80,000 minority pupils in 7,000 US high schools by the National Scholarship Service and Fund for Negro Students (NSSFNS) of New York City.

Statistical results of the study were disclosed May 21 at a news conference in Washington.

David B. Kent, NSSFNS executive director, and other officials of the 23-year-old nonprofit college advisory and referral service, made the following observations:

It is a waste of human resources not to help talented blacks and other minority young people in their quest for education beyond the secondary level.

Blacks want a "piece of the action" in the economic sector of the United States. They are no longer content with fields that are now overcrowded.

Equal opportunity for minority youth is still not a reality though progress has been made in recent years.

There is no validity to the assumption that students from low-income homes generally have a low-aspiration status.

Of the nearly 80,000 minority students (97 percent of them Black) interviewed in the study and aspiring to attend college, about 19 percent come from homes where the annual gross family income is less than 3,000 dollars, and half come from families whose income is less than 6,000 dollars.

The study also showed that a large percentage of Black students ranked in the top quarter of their high school classes;

"Business, health professional and the social science major fields of study are the most attractive to these students," the study said. "Business and educational majors declined in attractiveness during the two-year period of the study.

"Medical and law careers have increased in attractiveness while education, engineering and social work declined in probable career appeal.

"Over 16 percent of these students aspired to technical or associate degrees, while over nine percent aspired to a professional degree-- medical, law or divinity."

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UNITED STATES INFORMATION SERVICE VIENTIANE

5/23/74

NEWS ROUNDUP

President Nixon has refused to comply with a subpoena of the House Judiciary Committee for tapes and documents to be used in its inquiry. In a letter to the committee chairman Peter W. Rodino Jr., Dem.-New Jersey, the President said the subpoena was part of a never-ending series of requests for materials that, if complied with "would fatally compromise the institution of the Presidency." The President said that the committee already has all the relevant information in the transcripts of White House tapes released April 30.

The House of Representatives voted to keep military assistance to South Vietnam at the same level as last year. The ceiling for the coming year was set at 1,126 million dollars, about 500 million less than requested by President Nixon. Earlier, a joint House-Senate committee voted against a Defense Department request for supplemental assistance to Vietnam for the six weeks left in this fiscal year. The decision is subject to approval by the full Senate and House.

The Senate confirmed the nomination of Joseph Twinam of Tennessee to be ambassador to the State of Bahrain.

Also approved routinely by voice vote were Michael Sterner of New York to be Ambassador to the United Arab Emirates and William Turner of Arizona to be Ambassador to the Organization for Economic Cooperation and Development.

President Nixon signed legislation to expand federal aid to victims of natural disasters.

In a statement Mr. Nixon said the bill amending the 1970 disaster relief act represented a major step forward in federal efforts to ease problems faced by individuals, communities and states following widespread damage by storms, floods and other disasters.

Although food prices finally came down last month, the Agriculture Department says they could have been even lower had middlemen not increased their margins.

IDA -- The Senate May 22 opened debate on legislation to authorize continued U.S. participation in the International Development Association, the soft-loan agency of the World Bank. The bill authorizes 1,500 million dollars annually for three fiscal years beginning July 1 as the U.S. contribution of the fourth replenishment of the resources of IDA. In a Senate speech, Henry Jackson, Washington Democrat, urged his colleagues to vote for the legislation. During this time of shortages due to the energy crisis, he said, "we can not in conscience withdraw our financial support from multi-lateral IDA loan assistance programs to developing

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nations whose need is so great at this critical time." The Senate is expected to continue its debate on IDA next week. The House, last January 23, voted 248 to 155 not to replenish funding for IDA. If the Senate bill passes, it then goes to the House where another attempt to get IDA financing through is expected.

ELSEWHERE:

The Thai National Assembly meets today in Bangkok to propose a new premier for the King's approval. Premier Sanya, who resigned Tuesday in a surprise move after only seven months in office, will remain in office until a new government is formed. The premier has urged the King to "turn the reigns of state over to a younger man," saying he was "too old and tired" to continue. A precautionary nationwide military alert remains in effect.

In response to India's detonation of nuclear device, Canada says it is suspending all shipments to India of nuclear equipment and material, and is ending all exchanges of nuclear technology. The two nations have cooperated since 1956 on nuclear power and research programs. Canadian External Affairs Minister Mitchell Sharp said that Canada is reviewing relations with India and might stop shipment of other commodities but will continue to ship food and agricultural aid.

Communist troops carried their Saigon area offensive to within 18 miles of the capital, shelling government defense posts outside the provincial capital of Phu Cuong just before South Vietnamese President Nguyen Van Thieu visited the city Wednesday.

Thieu was in Phu Cuong, just 14 miles north of Saigon, for a visit to war refugees and a first-hand look at the battlefield. He also went to Lai Khe to boost the morale of the 5th infantry division and flew over Phy Giao, attacked by communist gunners with more than 1,000 rounds of mortar and artillery fire in the past two days.

Dow Jones Closing Averages: 30 INDUS 802.57 OFF 6.69
20 TRANSP 161.10 OFF 2.67
15 UTILS 73.91 OFF 1.02
65 STOCKS 243.33 OFF 2.76
VOLUME: 14,450,000

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SCHLESINGER FIRM ON INTERNATIONAL COMMITMENTS

Washington, May 22 -- In a private breakfast question - and-answer session with a select group of newsmen May 21, Defense Secretary James R. Schlesinger stressed the need, both from a moral and practical point of view, of the United States' living up to its international commitments.

He called for greater understanding of the problems of South Vietnam, reiterated his support for strong ties with Europe and discussed the long term values of a reopened Suez Canal.

Following are highlights of his comments, arranged by category.

General policy -- "The United States has either got to decide that it is going to maintain great-power status, which is capable of maintaining the military balance, and face up to the expenditures and the activities involved, or it can decide to reduce those expenditures and accept the consequences... We may have entered recklessly into many commitments, but some of the commitments that we entered into since 1945 were not entered into recklessly. I believe that can almost certainly be demonstrated with regard to our commitment to European security. In my judgment, that is also applicable with regard to the commitment to Japanese security."

Southeast Asia -- "The domino theory is correct to the extent that the survival of the other nations in Southeast Asia is to a large extent contingent upon the continued independence of South Vietnam... The whole Southeast Asia issue is one that reflects not only the present disgruntlements of the American society but the past disgruntlements of the American society... I would not describe South Vietnam as an area of the world, or Southeast Asia as an area of the world, in which our national interests are high."

Vietnam -- "After all the involvements in South Vietnam, the South Vietnamese deserve better than a kind of retrospective punishment for our having gotten involved in the war on their side -- a war that caused disaffection in the United States recognizably. But it's unworthy of US, in my judgment, to behave in such a niggling manner (referring to Congressional cutbacks of Pentagon requests for military assistance to South Vietnam)... North Vietnam has continuously violated the Paris agreement. They are overrunning outposts even today. The conflict in South Vietnam is not a conflict that is occurring because of the desires of the South Vietnamese government or of the Thieu Government... I do not understand how we wind up attributing what is going on there to the aggressiveness of the South Vietnamese government."

Europe -- "If we establish our nuclear forces for the defense of the North American continent only, we could get by on much smaller nuclear forces than those that are projected by the United States (but) the United States does not use its forces for that purpose alone. Those forces are committed to the security of Western Europe. They are pledged."

Soviet Union & China -- "There's a good deal of speculation that despite the (Chinese) ability to bang up a fair number of Soviet cities, the Soviet just might move with a nuclear strike, so the speculation runs... It is far easier to speculate on those things than it is actually to make a decision to go. Undoubtedly, there are people who are reflecting on that contingency in Moscow and reflecting on that contingency in Peking. There is all the difference between reflecting on the possible consequences -- the possible advantages and disadvantages -- and getting a political leadership to say, 'today is the day to go.' so I would still be skeptical..."

India -- "I think that the development, the spread of nuclear weapons, is potentially devastating. The Indians, I understand, say it is not a bomb... we cannot have a policy of non-proliferation in which the United States takes over major responsibilities for the defense-- the protection-- of non-nuclear weapons states and at the same time have the feeling that the United States can shrink back into the North American continent and that it can continue year after year to reduce the size and the force structure of its military establishment."

Middle East -- (In answer to a question about what would happen "if sustained disengagement is maintained", "I think that the pressures to acquire weaponry would be less exuberant than they would otherwise be and that would be the primary consequence, on both sides... But the pace is quite high today, and I think will remain high because of the uncertainties that do exist in the area... The United States government policy will be to examine any request (for arms) by the Government of Egypt very seriously and very carefully... The situation that has existed since 1954-55 has been rather anomalous in that Egypt has not had a sufficient variety of sources of supply for arms, and this has had a major impact on Egyptian foreign policy. As Egyptian foreign policy moves toward greater flexibility, a necessary ingredient of that is that it has a greater range of choice with regard to the supply of arms."

Suez Canal -- "In the broad context, the reopening of the Canal is necessary for the hope of stabilization in the Middle East. It is necessary for Egypt, it seems to me, both in terms of its provision to Egypt of economic resources, but perhaps more important in terms of the prestige and the role of Egypt in the world. On the basis of that, whatever small negative effects there are on the military side of the equation are more than offset by the broader foreign policy gains that have a large potential impact on the overall military balance."



ຂ່າວສຳນັກ
NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/24/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

The nation's health insurance industry pleaded with Congress to reject a national health insurance plan financed through the Social Security System. "Our business is efficient and ... less costly than the government system", said Frederick Rathgerber on behalf of 500 private insurance companies in a testimony prepared for the House Ways and Means Committee.

A nationwide survey taken by pollster Louis Harris earlier this month shows that President Nixon's job rating performance has increased slightly in the eyes of the American public, despite the release of the Watergate transcripts. Harris said that the major reason that the President's job rating has stayed about 30 per cent is because the public believes he is proficient in foreign affairs matters.

A Federal Appeals Court unanimously ruled the Senate Watergate Committee is not entitled to obtain five of President Nixon's secret tapes -- transcripts of which have already been made public. The five tapes subpoenaed were for Nixon conversations with John W. Dean III on Sept. 15, 1972; Feb. 28, March 13 and two on March 21, all in 1973. The U.S. Circuit Court of Appeals for the District of Columbia said the Committee had not demonstrated any vital need to secure the tapes for its investigation. The ruling upheld a lower court, which had refused to enforce the Committee's subpoena for the tape recordings.

President Nixon, restating his "unequivocal opposition to forced busing" of school children, has threatened to veto an education bill if it reaches him in the form passed by the Senate, with a mild anti-busing feature.

The LVO Corp., and Oklahoma-based oil firm, signed a 12 million dollar exploration agreement with the state-owned Egyptian Petroleum Company, becoming the first American independent to win such rights in Egypt. The company, in conjunction with the Pexamin Exploration Co. of Houston, Texas, and the Egyptian company, will search for oil and gas in a 750,000-acre area in the western desert just outside Cairo.

The House rejected an amendment today, by a 240-to-163 vote, that would have required a 100,000-man reduction in the 438,000 troops stationed in foreign countries by the end of 1985; but at the same time they approved a 474 million dollar cutback in military aid in South Vietnam.

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ELSEWHERE IN THE WORLD:

The U.S. dollar gained marginally in trading against the pound in London. Elsewhere in Europe, money markets were closed for the Ascension Day holiday.

The United States and the Soviet Union will begin talks in Washington next November on revising their 1972 maritime agreement, according to Robert J. Blackwell, Assistant U.S. Commerce Secretary for Maritime Affairs. Mr. Blackwell said that both sides want to make a number of changes in the agreement, which expires in October, 1975.

Chinese Premier Chou En-lai met in Peking with a French delegation headed by National Assembly President Pierre Sudreau, according to press reports based on a New China News Agency broadcast monitored in Hong Kong. The broadcast said that Chou had a "friendly conversation" with Sudreau but did not specify the nature of the talks, although increased trade between the two countries was probably discussed.

The Soviet Union has resumed arms shipment to Egypt after a lapse of more than six months, diplomatic sources said. The sources said the type and quantity of weapons was not known, but deliveries already have started.

The Soviet Union threatened to cut off normal Chinese use of Siberian inland waterways unless Peking "returns to the position of respect" of Soviet rights. The warning, delivered by the Soviet foreign ministry to Chinese charge d'affaire Ma Le and reported by the Tass News Agency, appeared directly related to the continued detention of a Soviet helicopter and its three man crew, according to press service reports.

Thai premier Sanya Dhammasak said he is reconsidering his resignation in response to public urgings that he stay on. He made the statement in Bangkok shortly after the National Assembly voted to ask him to stay in office. He is expected to announce his decision today. Mr. Sanya resigned Tuesday in the wake of widespread criticism of his administration's domestic policies. He has since, however, been the focus of much public sympathy for the difficulty of the problems he faced in office and his efforts to resolve them.

The United States has banned use of its contributions to the United Nations Children's Fund for use in North Vietnam or in Viet-Cong-controlled areas in the south. The American member of UNICEF's board said the decision reflects "deep United States disappointment" that the Communist leaders lack a genuine commitment to a peaceful resolution of the Indochina conflict. The United States is providing, through its relief efforts in South Vietnam, over seven million dollars for children orphaned or made destitute by the war.

South Vietnamese troops have beaten back a series of North Vietnamese attacks around the Phu Cat district town and air base on the central coast. The South Vietnamese command said 47 communist soldiers were killed, while government losses were "very light." Meanwhile, artillery battles continued near Ben Cat district town thirty kilometers north of Saigon. A 5,000 man government force is continuing its efforts to drive communists from three towns seized nearly a week ago.

In Phnom Penh, communists fired four rockets into the city Thursday, killing two civilians. To the north, at the biseiged Long Vek base, government forces have inflicted heavy losses on communist troops in an effort to expand the outpost's perimeters.

Israeli soldiers have killed six Arab guerillas who Israel says were planning to take hostages and demand the release of terrorists held in Israeli jails. Israeli officials said the Arabs were carrying explosives and loudspeakers similar to those used in last week's Ma'alot attack. Officials said the terrorists slipped into Israel across the Syrian border. Two surviving terrorists surrendered to an Israeli patrol.

The United States is lending the Philippines over eight and a half million dollars to finance construction of a rifle assembly plant in Manila. Philippine officials said the plant will strengthen Philippine defense and stimulate business activity.

Dow Jones Closing Averages: 30 INDUS 805.23 UP 2.66
20 TRANSP 160.40 OFF 0.70
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KISSINGER MAY OFFER PROPOSAL TO BREAK SYRIA-ISRAEL DEADLOCK

by Marie H. Koenig
IPS Diplomatic Correspondent

Damascus, May 23 -- Secretary of State Henry Kissinger is pondering whether to introduce an American suggestion to try to break the deadlock between Syria and Israel on the number of forces to be thinned out in a possible disengagement agreement.

He flew to Damascus May 23 for the tenth round of negotiations since he started shuttling between Israel and Syria May 6.

A Senior U.S. official aboard Dr. Kissinger's plane told newsmen that the Secretary of State would decide by the end of the day whether an American proposal would be helpful.

Dr. Kissinger's alternative decision, this official said, would be not to inject an American idea if it appeared to be contentious, but to begin his return trip to Washington this weekend while the two sides recessed the negotiations for several weeks.

If he decides to remain in the area, Dr. Kissinger will discuss with the Israelis in Jerusalem on May 24 his idea of how to solve the forces limitation problem. He would return to Damascus that same day with the Israeli viewpoint.

Israel and Syria are substantially agreed on a demarcation line, exchanging prisoners and buffer zones -- three of the five principal parts of a disengagement pact.

In addition to the thinning-out-of-forces issue, the size of a United Nations presence on the Golan Heights is an unresolved question. There is no disagreement about how the United Nations would function, the senior U.S. official said.

It is Dr. Kissinger's belief, the senior American diplomat said, that both sides are trying to reach a disengagement agreement but are finding it difficult to compromise on the remaining issues.

But at the same time it is hard to believe that they will not compromise on the two issues that are blocking an accord, the senior American official said.

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U.S. EXPLAINS STAND ON UNICEF FUNDS

United Nations, May 23 -- The United States, the single largest contributor to the United Nations International Childrens Emergency Fund (UNICEF) considers that it would be wrong to channel any funds to North Vietnam as long as communist authorities do not contribute to a peaceful resolution of the Indochina conflict.

This position was presented May 22 to the UNICEF board by Michael N. Scelsi, the U.S. representative. In the statement he explained that while pleased that other countries wish to provide humanitarian assistance to the people of Indochina, the United States "cannot agree to permit any portion of our contribution to UNICEF to be used in the DRVN or in the areas controlled by the PRG."

The full text of Mr. Scelsi's statement follows:

My delegation has carefully studied the information memorandum on the UNICEF Relief and Rehabilitation Program in Indochina provided to us by the executive director. The United States supported the decision to mount a special program for Indochina when it was proposed at the last meeting of the Executive Board in May 1973. This special program as it was then envisaged, was consistent with UNICEF goals and policies. We continue to support that decision.

A year has now passed, and much has been accomplished. My delegation was grateful to receive this document and is appreciative of the thoroughness with which it was prepared. This document offers us a good basis to review the Indochina program, and to consider plans for its implementation. I would like to give you the views of my delegation on this matter. I will confine my remarks to the potentially most sensitive portion of the Indochina program -- that proposal for North and South Vietnam.

During the past year funding for all projects in the DRVN and the "PRG" controlled areas of South Vietnam has come from contributions made in response to a special appeal by the executive director. No U.S. money was used to fund these parts of the UNICEF Indochina program. The plan proposed to the Board in the document before us would alter this arrangement. Funds for futrue programs in these areas could, were this plan to be implemented as it presently stands, come from the general resources as well as from special appeals. The U.S. contributes about 25 percent of the general resources. The U.S. would therefore be contributing part of its general resources contributions for programs in the DRVN and "PRG" controlled areas.

The U.S. is not opposed to UNICEF programs in the DRVN or in the territories controlled by the "PRG" as long as there is no implication of UNICEF recognition of the "PRG" and as long as no U.S. funds are used in either of these areas. In our view the assistance for the "PRG" controlled areas of South Vietnam should be channeled through the international operations group. No funds for either the DRVN or the "PRG" controlled areas of South Vietnam should be drawn from the general resources.

Another of our concerns, Mr. Chairman, is that the sum allocated for 1974 and 1975 for the area under the control of the "PRG," as compared to that allocated for the GVN, is greatly out of proportion, by any impartial yardstick, to the populations living in these areas. It is important that the humanitarian aid provided by UNICEF actually reaches those who are in need. It is also important that the amount of aid extended bear some relationship to the number of those in need in any given area.

The United States has a deep concern for the well being of all the peoples of Indochina. This concern is evidenced by our consistent and well known record of providing substantial humanitarian and economic assistance to the peoples of Indochina over the past decade. We are pleased that other countries wish to provide humanitarian assistance to the people of Indochina and welcome their use of the impartial and effective channels provided by UNICEF. The United States cannot, however, agree to permit any portion of our contribution to UNICEF to be used in the DRVN or in the areas controlled by the "PRG." As you will fully understand, our position on this matter arises from our deep disappointment at the apparent lack of genuine commitment of those who control these two areas to a peaceful resolution of the Indochina conflict.

It would be our hope, Mr. Chairman, that UNICEF would seek to resolve these concerns as the program outlined in this document is implemented.

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NO NEW RULING ON STUDENT VISAS

Washington, May 23 -- Applicants for visas to study in the United States must show that they have sufficient funds to cover expenses for a year. They are required to give only reasonable assurance that roughly equivalent amounts will be available for succeeding years.

State Department officials pointed out that regulation May 23 when they were asked about a report that a new ruling has been issued requiring student visa applicants to prove ability to pay for four full years of expenses instead of just one year.

The officials said there is no new ruling. The current guidelines applicable to students visas were issued in July 1973, they noted.

"It is not the State Department's intention that any applicant be required to demonstrate that he has funds to cover expenses over a four-year period of studies," a spokesman said.

However, he pointed out that the costs of living and of education in the United States have been rising and are expected to continue to rise.

"We believe it would be unfair to welcome students into this country who are not aware of these financial realities," he said. "We further believe it is our responsibility to make sure those who come are prepared to deal with these realities."

The spokesman noted that the State Department's position was particularly significant in view of the recent decision of the U.S. Immigration and Naturalization Service that foreign students must obtain permission for summer employment in the United States this year directly from that agency instead of from their universities as they had in previous years.

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English Language Broadcast of the Voice of America

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	25 meter band 11760 kHz	0700-0900 local
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	49 meter band 6110 kHz	
	190 meters 1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສຳນັກ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/30/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Tuesday's primary balloting in Arkansas, Kentucky and Oregon yielded the following results:

Arkansas -- Gov. Dale L. Bumpers ended the 30-year-Senate career of incumbent Sen. J. William Fulbright with a stunning victory. Unofficial results from 2,626 of the state's 2,794 precincts gave Bumpers 345,801 votes or 65 per cent and Fulbright 187,718 votes, or 35 per cent.

Oregon -- Former Sen. Wayne Morse, 73, a political maverick and patriarch of the anti-Vietnam war movement, easily won his bid for the Democratic nomination for the Senate. With more than three-quarters of all precincts tabulated, Morse had 116,637 votes or 49 per cent while State Senate President Jason Boe, 450 had 93,652 votes or about 39 per cent. Two other candidates trailed far behind.

Kentucky -- Republican Sen. Marlow W. Cook and Democratic Gov. Wendell H. Ford both overwhelmed token opposition in their respective Senatorial primary contests. They will face each other in a November race for Cook's Senate seat.

President Nixon, in an unusual gesture, presided over the swearing in of his one-time law professor Kenneth Rush, his new counselor for economic policy. Counselors usually take their positions on the Presidential staff without much fanfare, but Nixon apparently wanted to dramatize the addition of his new economic coordinator to a high policy level in the White House, according to press reports.

The Senate has decided to continue and increase American support for the International Development Association, the arm of the World Bank that makes low-interest loans to developing countries. One thousand five hundred million dollars in US funds was authorized for the IDA over the next four years. That will be one-third of the Agency's capital over the period. The proposal still needs approval by the House of Representatives, which rejected it earlier this year.

Balancing the federal budget is at least a year away, according to Budget Director Roy Ash. Ash said Tuesday the government will probably have an 11.4 billion dollar deficit for the 1975 fiscal year, beginning July 1. He conceded, however, that it is possible to balance income and spending in fiscal 1976 which begins July 1, 1975 -- but only if Congress cooperates with legislation to reduce the rate of increase in certain federal spending programs.

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ELSEWHERE IN THE WORLD:

Representatives of Israel and Syria are scheduled to sign a disengagement agreement in Geneva on Friday. The agreement was reached after 43 days of negotiations with Secretary of State Henry Kissinger. Details are still to be made public, but the agreement reportedly calls for a ceasefire followed by an exchange of prisoners of war. It also calls for a buffer zone to be manned by a United Nations peace-keeping force, and two ten kilometer corridors on either side where military strength will be limited. President Nixon paid tribute to Dr. Kissinger and to Israeli and Syrian leaders in overcoming major difficulties. In a televised address, he said prospects for a Mideast peace are better at this time than they have been at any time in the past 25 years.

French President Valery Giscard d'Estaing ordered an end to all Watergate-style wire-tapping in France, the destruction of tapes and a welcome home to political refugees. "France wants and will have liberal policies," Giscard d'Estaing said at his first cabinet meeting.

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20 TRANSP 159.39 OFF 2.29
15 UTILS 73.33 OFF 0.71
65 STOCKS 241.09 OFF 4.69
VOLUME: 12,300,000 SHARES.

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NIXON HAILS SYRIA-ISRAEL DISENGAGEMENT ACCORD

Washington, May 29 -- Hailing the Israeli-Syrian disengagement agreement as "a major diplomatic achievement," President Nixon says it has removed "what was a major roadblock to any settlement."

Mr. Nixon, in a brief televised statement May 29, said he had sent messages to Israel's Prime Minister Golda Meir and Syria's president Hafiz Assad congratulating them on the statemanship shown in agreeing on the mechanics of a disengagement of forces along the Golan Heights. He pledged continued U.S. efforts, "working with all governments in the area," toward reaching a permanent peace in the Mideast.

The text of the President's remarks follows:

Ladies and gentlemen, I have an announcement that will also be made today in Jerusalem and in Damascus. The text reads as follows:

"The discussions conducted by United States Secretary of State Dr. Henry Kissinger with Syria and Israel have led to an agreement on the disengagement of Syrian and Israeli forces. The agreement will be signed by Syrian and Israeli military representatives in the Egyptian-Israeli military working group of the Geneva Conference on Friday -- this Friday.

Just a word about the significance of this development. It is obviously a major diplomatic achievement, and Secretary Kissinger deserves enormous credit for the work that he has done, along with members of his team, in keeping this negotiation going and finally reaching an agreement when at many times over the past few weeks it seemed that the negotiations would break down.

Also, credit goes to the governments concerned who had great differences which had to be resolved. I have sent messages of congratulations to Prime Minister Meir of Israel, and also to President Assad of Syria, congratulating them with regard to the statesmanship that they have shown in resolving differences that seemed totally without any prospect of resolution a month or so ago and even, as a matter of fact, several times over the past month.

This particular agreement, together with the agreement that was reached earlier on disengagement of Egyptian and Israeli forces now paves the way for progress in Geneva and, of course, with the various governments involved, toward our objective, and we trust their objective as well, of achieving a permanent peace settlement for the entire Mideast area.

However, we should have in mind that despite the fact that these two agreements have now been signed, or have been reached, that there are many difficulties ahead before a permanent settlement is reached. However, what was a major roadblock to any permanent settlement has now been removed, and I think the most difficult roadblock, the roadblock being the differences that had long existed between Israel and Syria.

As far as the United States is concerned, we shall continue with our diplomatic initiatives, working with governments in the area toward working toward achieving the goal of a permanent settlement, a permanent peace, and I can only say that based on the success in reaching this agreement in which the differences were so great that, the prospects for reaching agreement on a permanent basis I think now are better than they have been at any time over the past 25 years.

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SENATE VOTES TO INCREASE U.S. CONTRIBUTION TO IDA

Washington, May 29 -- Congressional advocates of foreign aid have won a major victory in their bipartisan effort to assure continued U.S. financial support for the International Development Association (IDA).

That victory came May 29, when the Senate voted 55-27 to authorize "four annual installments of 75 million dollars each" as the U.S. contribution to the fourth IDA replenishment. The measure now goes to the House of Representative, where a similar proposal was defeated in January of this year despite strong White House backing.

While the first installment of the proposed 1,500 million-dollar U.S. contribution will not become due until the fiscal year ending June 30, 1976, IDA -- the concessional lending affiliate of the World Bank -- requires a firm commitment of replenishment funds before it can make additional credits and loans.

The bulk of IDA assistance is concentrated in developing countries with annual per capita incomes below 120 dollars. These countries -- most of which have little or no export earnings -- are unable to cope with rising world inflation without external aid.

Administration officials have made an unprecedented effort during the past year to reflect the views of Congress in U.S. multilateral aid negotiations. That effort assumed a new urgency, however, when the House defeated by a lop-sided margin (248 to 155) the Administration-sponsored IDA contribution.

Much of the opposition in both the House and the Senate to the proposed legislation stems from a reluctance in the past of some members to vote for an increase in U.S. indebtedness during a period of economic uncertainty at home and abroad.

That viewpoint was summarized by Senator Harry F. Byrd, Jr., the Virginia independent who chairs the Senate Subcommittee on International Finance and Resources.

Under the proposed IDA replenishment, he noted, the United States would be borrowing its contribution at eight or nine percent interest in order to enable IDA to lend it to underdeveloped countries at one percent interest. These countries, in turn, would then relend the funds to their citizens at interest rates of 12 to 20 percent, he maintained.

Senator Byrd also pointed out that some 40 percent of all IDA funds have gone to India - a country that recently exploded a nuclear device.

"While the United States was supplying India with vast sums of money (for development purposes)," he said, "she was taking her own funds to develop a nuclear weapon."

Congressional proponents of the IDA replenishment counter with the argument that it makes no sense to lend funds to needy countries on terms they obviously cannot repay.

Senator Hubert Humphrey, Minnesota Democrat, who served as floor manager for the Administration--backed proposal in the Senate, cited the efficient record achieved by IDA in its 14-year program of providing low interest, long-term loans to poor countries.

Quoting the U.S. Chamber of Commerce, he noted:

"First, it works. It produces results that benefit the economies of eligible countries.

"Second, the program is available only to the poorest countries and does not benefit those with the means to satisfy their capital development needs.

"Third, without IDA the growth prospects of the poorest countries would decline significantly."

Senator Humphrey also took exception to criticism of IDA based on India's nuclear development.

"In terms of India's budget expenditures, its atomic energy development program costs about 42 million dollars out of total central government budget expenditures of 11,700 million dollars in fiscal year 1975, or three-tenths of one percent of the budget. By way of contrast, the Indian government plans to devote over 50 percent of its federal expenditures in 1974-75 economic and social development."

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CONGRESSIONAL ROUNDUP FOR MAY 29

U.S.-France--Senator Majority Leader Mike Mansfield told the Senate May 29 he believes that U.S.-French relations "will continue to be good and will get better with the passage of time." Based on a conference with Valery Giscard d'Estaing May 25 in Paris - two days before he was installed as President - Mr. Mansfield said he felt that the new President "brings a new generation into France's political life and he has the opportunity to be a president of magnitude and an outstanding leader and beacon to greatness." The Senator said the new French cabinet "is younger in years than its predecessors, and will give to France the broad vision and the prestige so necessary in these troubled times in the western world."

Foreign Policy - Senate Republican Leader Hugh Scott, in Senate floor remarks May 28 in reference to Senator Mansfield's interview with French President Giscard d'Estaing, said "with very few exceptions" the majority and minority parties in Congress are "pretty much of one mind" on foreign policy. Although he and Senate Democratic Leader Mike Mansfield hold somewhat differing views on U.S. troop withdrawals, Scott said, they are agreed on most other subjects. "On the broad questions of cooperation with France, with the Common Market, with our allies and associates and on the broad questions of detente with the Socialist countries of Europe, we are pretty generally in agreement," he added, "Whether I am engaged in a conversation with the President of Rumania, Mr. Ceausescu, or whether Senator Mansfield is engaged in a conversation with the President of France, I think the country can feel entirely safe in the understanding that neither of us would seek to create unnecessarily any problems in the course of the administration of our foreign policy." His remarks were endorsed by Assistant Democratic Leader Robert C. Byrd.

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The new French cabinet is a younger one and will give France the broad vision and the leadership necessary in these troubled times. The new French cabinet is younger in years than the previous one and will give France the broad vision and the leadership necessary in these troubled times.

U.S. France - Senator Mansfield said that he believes that U.S. French relations will continue to be good and will be better with the passage of time. He said that he was pleased to see that the new French cabinet is younger in years than the previous one and will give France the broad vision and the leadership necessary in these troubled times.



ຂ່າວສຳນັກ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

5/31/74

NEWS ROUNDUP

The North Vietnamese and the Viet Cong have walked out of Thursday's four-party Joint Team meeting in Saigon. The team, composed of North and South Vietnam, the Viet Cong, and the United States, was set up under the Vietnam Peace Agreements to search for and exchange information on servicemen missing during the Vietnam war. The team was the only remaining forum for talks between South Vietnam and the communist side. The communists said they plan to boycott all future Joint Team meetings until the South Vietnamese restore their "full privileges and immunities." The United States embassy in Saigon expressed regret over the incident, and said it hopes the communist side will rejoin the meetings.

Thailand's premier Sanya Thammasak has named a new cabinet which, for the first time in years, contains no active members of the country's military. As the announcement was made, the Commander in Chief of the Thai Army, General Kris Sivara, extended the military's support for the new government. Retired general Kruan Suthanin, 75, was named Defense Minister. The Prime Minister is retaining Charoonphand Isarangkoon as foreign minister, and said he anticipates no change in Thailand's foreign policy. The new cabinet must now be approved by the King.

Officials of the world's major oil exporting nations said petroleum prices will have to be increased again to compensate for inflation. The Organization of Petroleum Exporting Countries' Economic Commission, composed of finance officials from the 12 member nations, opened a three day meeting to discuss crude oil prices for the third quarter of 1974.

The non-communist world's leading nations accepted a "code of good behavior" designed to forestall the start of a trade war among themselves. The pledge not to take individual protectionist measures in the face of trade deficits was made public by Emile Van Lennep, Secretary General of the Organization for Economic Cooperation and Development. Van Lennep said the agreement was unanimous and the code will be valid for a year.

French President Valery Giscard d'Estaing, in his first official foreign policy statement, said he will seek cooperation with the United States on a basis of equal rights, but also will try to be a friend of the Soviet Union and China. He also said he will ban the sale of arms to countries who might use them against "the right of peoples to determine their own future."

Dow Jones Closing Averages: 30 INDUS 803.58 UP 8.21
20 TRANSP 159.86 UP 0.47
15 UTILS 73.59 UP 0.26
65 STOCKS 242.91 UP 1.82
VOLUME: 13,580,000 SHARES.

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KISSINGER CREDITS SADAT WITH HELP IN MIDEAST SETTLEMENT

Following is the text of Secretary of State Henry Kissinger's statement issued in Cairo following his meeting with Egyptian President Anwar Sadat on May 30.

I would like to express my appreciation for your very generous words. Six months ago I had the honor for the first time in meeting President Sadat who has since become a friend on whose advice we rely and whose inspiration has guided many of us. In those six months enormous strides have been made in the relationship between Egypt and the United States and following the example of Egypt in the relations between the United States and other Arab countries. The United States is dedicated to achieving a permanent peace based on justice in the Middle East and we have engaged in the efforts of disengagement in Egypt and Syria because of our conviction that they represented a necessary first stage towards that objective. I can say that the negotiations that were concluded yesterday between Syria and Israel could not have succeeded without the constant advice and support of President Sadat and of the Egyptian government. The relations between the United States and Egypt have improved and will continue to improve. In order to intensify this cooperation President Sadat and President Nixon have agreed to establish a joint cooperation commission between the United States and Egypt to work in various fields to their mutual benefit. A formal announcement giving further details to that effect will be made tomorrow in both Cairo and Washington. It remains for me only to thank my friend President Sadat for his warm hospitality which has been received and for his constant friendship that he has extended.

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SUMMARY OF U.S. FOREIGN AFFAIRS DEVELOPMENTS MAY, 1974

Mideast -- On May 29, President Nixon announced that "the discussions conducted by United States Secretary of State Dr. Henry Kissinger with Syria and Israel have led to an agreement on the disengagement of Syrian and Israeli forces."...

"It is obviously a major diplomatic achievement," President Nixon said; "and Secretary Kissinger deserves enormous credit for the work that he has done along with members of his team in keeping this negotiation going and finally reaching an agreement when at many times over the past weeks it seemed tht the negotiations would break down."

"This...agreement, together with the agreement that was reached earlier on disengagement of Egyptian and Israeli forces, now paves the way for progress in Geneva...toward...a permanent peace settlement for the entire Middle East."

The previous day - Memorial Day - in an address to honor the nation's war dead, Mr. Nixon said "a momentum has been created" making it easier for world leaders "to settle differences peacefully, in negotiation instead of in armed confrontation."

The President, who plans to make his second trip to Moscow next month, said the United States has "developed a new relationship" with Soviet leaders and is "normalizing relations with...the People's Republic of China."

Trade Policy --- Robert S. Ingersoll, Assistant Secretary of State for East Asian and Pacific Affairs, told a Washington gathering of Asian and American business leaders during the month that demand-supply problems facing many countries can be overcome "by liberal trade and investment policies, supplemented by the interplay of the free market process."

In addressing a meeting of the Pacific Basin Economic Council Mr. Ingersoll also spoke of the need to strengthen the Asian Development Bank and other international financial institutions.

Mr. Ingersoll cautioned that "while we seek to strengthen the ties which bind all of us together within the Pacific region, we must at the same time take care that those relationships and the policies that sustain them do not lead in the direction of a 'closed' Pacific bloc excluding other nations and other regions. For interdependence within the Pacific basin," he said, "is only a part of the larger phenomenon of interdependence world wide."

Schlesinger on Detente --- In an interview with the publication "U.S. News and World Report," Secretary of Defense James R. Schlesinger made these points:

"The notion that detente permits us to disarm is a widespread illusion... It is necessary to maintain a worldwide military balance as the underpinning of detente. Detente rests on an equilibrium of force."

"Fifteen years down the road the Chinese could have a very major nuclear capability. From the standpoint of the Soviet Union, China may well become a factor in the nuclear equation in as little as a decade. It will be longer from (the U.S.) standpoint."

Asked if it would be necessary to try to negotiate with the Chinese on strategic arms limitation before they reach that point in 10 to 15 years, Secretary Schlesinger said "until the Chinese have built up a second strike force that is reasonably invulnerable, they are unlikely to express much willingness to negotiate seriously."

Asked if the fact that the Chinese are proceeding with their buildup will complicate U.S.-Soviet negotiations, Mr. Schlesinger said for the next decade it should not pose a major constraint "because both the Soviet Union and the United States have massive strategic capabilities in relation to what the Chinese presently and even prospectively will have."

On Soviet naval objectives, Mr. Schlesinger expressed the opinion that Soviet leaders want to demonstrate that they are a power on a world wide basis."

On the Indian Ocean, he said the U.S. Navy is "not following the Soviets into particular areas of the world. But," he said, "the Persian Gulf and Western Indian Ocean is an area that we cannot afford to allow to be unbalanced in naval terms... From the Persian Gulf comes most of the fuel for Western Europe and Japan, and a sizeable fraction of the fuel for the United States. The Persian Gulf is an area of very great strategic significance. It is a matter of the utmost importance for the security of the West that the Gulf area remain secure."

Mr. Schlesinger said the U.S. is not planning to maintain a permanent presence in the Indian Ocean. "What we have said is that we are prepared intermittently to send naval forces in the Indian Ocean... It is necessary to have a support facilities reasonably nearby... That is why we have requested additional money (from Congress) for expansion of facilities on (the island of) Diego Garcia."

Extension of Fishing Boundaries -- Acting Secretary of State Kenneth Rush has asked the U.S. Congress to delay enactment of legislation that would have the United States unilaterally declare a 200-mile "economic sea" around its shores -- to protect U.S. fishermen-- pending results of this summer's Law-of-the-Sea Conference.

In a statement before the Senate Commerce Committee, Mr. Rush said "The unilateral extension of U.S. jurisdiction would have serious foreign policy implications which could create political tensions internationally."

Mr. Rush said he was "very optimistic" that international agreement would be reached on the conservation and sharing of the fishing resources of the oceans. He said he expected "very substantial results" from the Law-of-the-Sea Conference in Caracas, Venezuela, which will be held from June 20 to August 29.

International Law -- In Australia, in an address to police officials, Marshall Green, U.S. Ambassador and Former Assistant Secretary of State for East Asian and Pacific Affairs, spoke of the compelling need for improved cooperation among nations in combating the evils of terrorism, skyjacking and narcotics.

Ambassador Green said considerable progress against hijacking has been made in the United States but that "there has been far less success in coping" with this crime in other countries. "Nor has the United Nations addressed the problem adequately," he said.

He praised the Thai and Lao governments for their "strong measures to curb the production and smuggling of drugs. These measures have not been entirely successful...but they are encouraging."

IDA Replenishment -- Congressional advocates of foreign aid have won a major victory in their bipartisan efforts to assure continued U.S. financial support for the International Development Association. May 29, the Senate voted 53-27 to authorize four annual installments of 376 million dollars each as the U.S. contribution to the fourth IDA replenishment. The measure now goes to the House of Representatives where a similar proposal was defeated in January, 1974, despite strong White House backing.

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CONGRESSIONAL ROUNDUP FOR MAY 30

Moscow Trip -- Senator Barry Goldwater has joined in support of President Nixon's upcoming trip to Moscow. The argument that the President cannot negotiate with the Soviets because he will be dealing from a position of weakness at home is "a slander against the President of the United States" that is not deserved, Goldwater said. I have yet to see this President subordinate the national interest. He could have taken the easy road out of Vietnam. He could have cut and run and become a national hero to those who favored the course of surrender. But he didn't. In every major decision, he followed the course which was in the interest of international peace and stability. He followed the course which would make America's commitment a firm reality instead of a hollow rhetorical promise."

Senate Shakeup--The defeat of Senate Foreign Relations Committee Chairman J. William Fulbright in the Arkansas Democratic primary May 28 is producing speculation within the Senate as to his successor as chairman when the 94th Congress convenes next January. First in line by seniority is Senator John Sparkman, 77, an Alabama Democrat and Chairman

of the Senate Banking Committee. If Sparkman opts for the Foreign Relations post he would have to surrender the Banking chairmanship, leaving that position open to Senator William Proxmire, Wisconsin Democrat, reportedly opposed by banking interests. Proxmire in turn would have to surrender the chairmanship of the Joint Economic Committee. Next in line to Sparkman in Foreign Relations are majority leader Mike Mansfield, Senator Frank Church (D-Idaho) and Senator Stuart Symington, (D-Mo) in that order.

Formosa Resolution -- Senator Clifford Hansen (R-Wyo) in remarks on the Senate floor May 29 called for a "thorough review" in the House of a provision in the State-USIA authorization bill repealing the Formosa resolution. The authorization passed the Senate May 20 without debate and without a rollcall vote and included the repeal provision inserted by the Foreign Relations Committee. The Formosa resolution, passed in 1955, provided Nationalist China with guarantees of U.S. support. "It seems to me we should not repeal the resolution without strong assurances from the Senate that U.S. support is undiminished - or if it is diminished, we should clarify that also," Hansen declared.

IDA Replenishment -- Congressman Henry F. Gonzales, Chairman of the House Banking Subcommittee, says his committee will reconsider the 1,500 million dollar U.S. contribution to the International Development Association authorized by the Senate 55-to-27 May 29 if the Administration commits itself to rounding up Republican support in the House. The House by an overwhelming margin defeated a similar measure in January. IDA supporters concede that reversal of the House vote will be difficult to achieve.

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English Language Broadcast of the Voice of America

Morning (0500-0900 local)	19 meter band	15210 kHz	0700-0900 local
	25 meter band	11760 kHz	0700-0900 local
	31 meter band	9545 kHz	0500-0700 local
	49 meter band	6185 kHz	0500-0600 local
Evening (1800-2300 local)	25 meter band	11715 kHz	
	31 meter band	9760 kHz	
	49 meter band	6110 kHz	
	190 meters	1580 kHz	1830-1900 and 2130-2300 local

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ຂ່າວສຳນຸນ NEWS BULLETIN

UNITED STATES INFORMATION SERVICE VIENTIANE

6/5/74

NEWS ROUNDUP

IN WASHINGTON AND AROUND THE UNITED STATES:

Vice President Gerald Ford attributed the success of Secretary of State Henry Kissinger's peace initiatives to the "new climate" produced by President Nixon's foreign policy. "This is the climate that ensured from the President's historic initiatives in visiting Moscow and Peking," he said.

Many consumers are continuing to protest rising food prices without realizing they are already coming down, Agriculture Secretary Earl Butz said. He also said the Administration is thinking about restoring beef import controls, but indicated strongly that officials hoped to avoid any such action.

President Nixon has signed legislation authorizing 82.2 million dollars for the Peace Corps in the current fiscal year. It was exactly what the President has requested and authorizes spending up to one million for increased pay and other benefits for Peace Corps volunteers.

ELSEWHERE IN THE WORLD:

Syria plans to restore full diplomatic relations with the U.S., according to Foreign Minister Abdel Halin Khadeam. He told a news conference that during Secretary of State Henry Kissinger's recent talks with Syrian leaders, "the question of restoring relations was discussed, and relations will be restored between the United States and Syria."

Israel said on Tuesday its forces captured two Arab guerrillas at a roadblock near the Ma'alot. The Tel Aviv command said the two Al Fatah commandos admitted they planned to carry out an attack against civilians after visiting relatives living in Israel.

In Bangkok, a U.S. Embassy announcement says Air America operations will cease by July, supplanted by Thai-American-managed, 70 per cent Thai-owned Thai Airways Aircraft Maintenance Co., Ltd., under Thai law. Officials say company is under one-year 1.35 million dollar contract. Air America operations have come under criticism from Thai students.

The pro-Communist Pathet Lao have refused to release an American prisoner although Tuesday was the deadline for the release of all prisoners under terms of the new coalition government in Laos. The Pathet Lao indicated that Emmet Kay, a pilot for a commercial airline captured in May 1973, would not be released because the United States had not abided by the peace agreement.

USAID DISTRIBUTION: B&F

The United States said it will continue the search for missing Americans in South Vietnam despite the paralysis of the machinery which coordinates the search. A U.S. Embassy spokesman in Saigon said U.S. and South Vietnamese delegates to the four-party joint military team met on Tuesday despite a boycott of the team by the Viet Cong and North Vietnamese.

The Cambodian education minister and his aide were shot and killed Tuesday when government troops stormed a high school where students were holding them hostage in a protest demanding education reforms.

The Senate Finance Committee recommended approval of the nominations of Jack F. Bennett as Undersecretary of the Treasury for Monetary Affairs and Edward C. Schmults as Undersecretary of the Treasury.

The Committee also endorsed the nomination of Catherine Bedell, Chairman of the U.S. Tariff Commission, to another term on the agency.

Dow Jones Closing Averages: 30 INDUS 828.69 UP 7.45
20 TRANSP 167.87 UP .41
15 UTILS 74.77 UP 0.38
65 STOCKS 251.12 UP 2.84
VOLUME; 16,040,000 SHARES.

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NIXON TO VISIT FIVE MIDEAST NATIONS TO 'RATIFY NEW ENVIRONMENT'

Washington, June 4 -- President Nixon will make a five-nation tour of the Middle East June 12 to 18 to "ratify the new environment" in the area and to "confirm personally" his commitment to improving relations with all states in the area.

Mr. Nixon will visit Egypt, Saudi Arabia, Syria, Israel and Jordan, the White House announced June 4, with a stop en route from Washington in Salzburg, Austria, June 10 and 11.

Deputy White House Press Secretary Gerald Warren in making the announcement recalled that "significant steps" have been taken in the last several months in establishing a framework to work for permanent peace in the area. He cited the consolidation of the Israel-Egypt cease-fire last November, agreement at the Geneva Conference last December on the framework for negotiations, the disengagement agreement between Israel and Egypt along the Suez Canal earlier this year, and the Israel-Syrian Golan Heights disengagement agreement May 31.

"The President feels," Mr. Warren said, "that it is important to build on the foundation which has been laid. The President's trip to the Middle East will serve to ratify the new environment that now exists in the area and will afford an opportunity at the highest level for each of the parties involved to consolidate what has been achieved on the road to peace."

Mr. Warren said the trip additionally will provide an opportunity for Mr. Nixon to exchange views with Mideast leaders on "the prospects for the coming months to assure the most effective continuation of steps already taken toward a just and stable peace."

The trip will also provide a "fuller meaning," Mr. Warren said, "to the President's commitment to work toward strengthened relations with all states in the area."

In addition to a discussion of broadening bilateral ties with the United States, Mr. Nixon will confer with the Mideast officials on international issues of mutual concern.

Over the past seven months, Mr. Warren declared, there has been a "strengthening of mutual trust and confidence between the United States and Middle East countries. It is the President's intention to confirm personally his dedication to carrying forward this positive trend."

Secretary of State Kissinger, the mediator in some of the steps which have changed the Mideast environment, will accompany the President on his trip. Mrs. Nixon also plans to make the journey.

Asked if the United States would announce resumption of diplomatic relations with Syria during Mr. Nixon's visit, Mr. Warren recalled Dr. Kissinger's comment that the two countries have agreed on a rapid improvement of relations. But he said he could not speculate "on the progress of that process."

He said a fuller presidential itinerary will be announced later. The President plans to be in Egypt June 12 to 14; in Saudi Arabia June 14 and 15; Syria June 15-16; Israel June 16 and 17 and Jordan 17 and 18. Mr. Warren said Mr. Nixon will depart for Washington on June 18.

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KISSINGER ASKS CONGRESSIONAL SUPPORT FOR FOREIGN ECONOMIC AID

Washington, June 4 -- Secretary of State Henry A. Kissinger has termed the U.S. Development Assistance Program one of the "essential instruments" in helping to shape a cooperative international order beneficial to all nations.

In this connection, he told members of the House of Representatives June 4, a basic objective of the U.S. economic aid program for the fiscal year beginning July 1, 1974, will be to provide food, education and population assistance to the poorest developing countries.

Following are highlights from Dr. Kissinger's testimony before the House Foreign Affairs Committee June 4:

In accordance with a Congressional mandate, U.S. bilateral development assistance efforts during the coming fiscal year will focus on helping developing countries to increase their agricultural output. The Administration is asking for authorization to spend 675 million dollars on food and nutrition programs.

The energy problem symbolizes the dangers of confrontation between developed and developing nations, the severe plight of the poorest countries and the potential for new forms of mutually beneficial cooperation.

Consumers and producers, as well as the developing and developed countries, must unite in meeting the challenges of global economic interdependence -- not by acting unilaterally or by creating restrictive blocs but by seeking higher levels of income and production.

Failure by the United States to contribute its fair share to the International Development Association (IDA) -- the concessional lending affiliate of the World Bank which concentrates on the needs of the poorest countries -- would unravel the whole fabric of multilateral assistance. The Administration is requesting 1,500 million dollars, to be appropriated over a four-year period beginning July 1, 1975, as its share of the proposed fourth IDA replenishment.

-- Congressional passage of the Administration's Trade Bill -- with its authority to grant generalized tariff preferences -- would be a "crucial contribution" to the development process, since developing nations meet more of their foreign exchange needs through trade rather than aid.

-- In addition to funds for bilateral and multilateral development assistance, the Administration is asking 2,300 million dollars in fiscal year 1975 for military and security supporting assistance in Indochina and the Middle East. Of this amount, 50 million dollars in grants and credits is being requested for Israel; 207 million dollars in grants and credits is for Jordan; 250 million dollars is for supporting assistance to Egypt and 100 million dollars will be made available in the form of a special requirements fund to help million dollars in humanitarian and economic assistance is being requested for South Vietnam; 362.5 million dollars in military assistance and 110 million dollars in reconstruction aid is for Cambodia, and 142 million dollars is for Laotian reconstruction and rehabilitation.

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U.S.- CHINA RELATIONS 'ON COURSE' AS TRADE BOOMS

by John J. Harter
IPS Staff Writer

Washington, June 4 -- Secretary of State Henry Kissinger told top U.S. business executives on June 3 that "despite periodic accounts of supposed ups and downs" in Chinese-American relations, "there should be no doubt in anyone's mind that, from the United States' point of view, we remain firmly on course."

Secretary Kissinger emphasized that "the normalization of relations with the People's Republic of China is a permanent and essential element in our foreign policy..."

The Secretary of State made these comments at a reception sponsored by the National Council for U.S.-China Trade during its first annual meeting at Washington. Over the past year, the Council - a non-profit body comprising some 150 leading American Corporations - has worked closely with the governments of the United States and the People's Republic of China to facilitate the expansion of their commercial relations.

"The United States has, and will continue to have, an interest in a peaceful, strong, and independent China," Dr. Kissinger continued, "and no policy of this Administration has had greater bipartisan support than the normalization of relations with the People's Republic."

Secretary Kissinger said links are being forged "between the two societies that inevitably must influence the character and the prospects of the over-all relationship between the United States and the People's Republic of China."

The Secretary's point was clearly borne out by trade indicators discussed during the Council's formal sessions.

Council President Christopher H. Phillips announced in his annual report to the group that trade between the two countries has, for the first time in many years, surged ahead of Soviet-American trade. Two-way trade between the two countries during the first quarter of 1974 amounted to 441.2 million dollars, compared with 36.4 million dollars in trade with the Soviet Union.

Mr. Phillips, formerly the U.S. Ambassador to the United Nations Economic and Social Council, said Department of Commerce projections assume total U.S. trade with China during 1974 may reach about 1,250 million dollars, compared with a probable 1,270 million dollars for Soviet U.S. trade. He said the United States is now the third largest trading partner of the People's Republic of China.

Mr. Charles Freeman, a Department of State trade policy officer specializing in Chinese economic affairs, told the group he believes U.S.-China trade could reach a value of over 4,000 dollars by 1980. He noted that this trade has grown much more rapidly during the last two years than most experts anticipated.

Several speakers emphasized, however, that U.S.-China trade can not continue to grow in the lop-sided way it has to date. Department of Commerce data show the value of U.S. exports to China in 1973 exceeded 689 million dollars, or about eleven times the value of U.S. imports from China, which amounted to about 63.7 million dollars.

The leading U.S. exports to China included agricultural products (principally wheat, corn, cotton, and soybeans) and high technology industrial products (including passenger transport aircraft, fertilizers, and telecommunications equipment).

The leading U.S. imports from China included tin, cotton textiles, raw silk, bristles, works of art, and antiques.

Several of the speakers said high and discriminatory U.S. tariffs levied against imports from China constituted the principal constraint on expansion of U.S.-China trade. They pointed out that the People's Republic of China must be able to earn more foreign exchange through expanding exports if it is to expand imports, and urged Council members to appeal to their representatives in Congress to empower the President to extend non-discriminatory tariff treatment to these imports. The most controversial provision of the trade reform act, currently under consideration by the Senate Finance Committee, deals with this question. The version of the bill passed by the House of Representatives last December would deny the President the authority to extend non-discriminatory tariff treatment -- as well as credits to finance trade -- to countries which restrict emigration. This provision was inserted principally because of restrictions by the Soviet Union on Jewish emigration, but, as drafted by the House, it would also apply to the People's Republic of China. The Administration is vigorously seeking elimination, of at least modification, of this restriction.

Assuming a favorable political and economic environment, Mr. Freeman said he would expect the composition of China-U.S. trade to change as it grows over the next few years. He foresaw the possibility of 3,000 million dollars in U.S. exports to China by 1980 - perhaps principally "industrial processes and complete plants." By that time, he suggested, the U.S. might import goods valued at about 1,000 million dollars from China.

As China improves its industrial capacity to produce fertilizer, perhaps within two or three years, it will probably reduce its imports of agricultural products - particularly cereals - from the United States, Mr. Freeman suggested. In fact, he believes China may become a net exporter of fertilizer within a few years.

Mr. Phillips spoke of the "crucial formative period" of commercial relations between the two countries, and said the Council will "continue to build with the Chinese a climate which fosters the expansion of trade and friendship between the two countries.