DEPARTMENT OF STATE

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STATEMENT BY
THE HONORABLE WILLIAM P. ROGERS
BEFORE THE
SENATE FOREIGN RELATIONS COMMITTEE

AUTHORIZATION OF APPROPRIATIONS
FOR THE
DEPARTMENT OF STATE

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Mr. Chairman and Members of the Committee:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

This year we will also devote greater attention to our close ties with Latin America. We were not able to do as much in Latin America last year as we would have liked, partly because of our own economic preoccupations. But we did clear up several long-standing territorial problems -

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with Mexico, Honduras, and Nicaragua - and we expect to deal with some others this year. We are anxious to do more this year to meet the Hemisphere's economic concerns. I plan to give considerable personal attention this year to our ties within the Hemisphere. I will be representing the United States at the OAS Meeting here next month and we plan high level visits to Latin America late this year.

When I returned from my visit to Africa in 1970 T placed a new policy stress on increasing our economic relations with Africa. As the report shows, our trade and investment with Africa's developing countries have since increased markedly - partly from normal developments, partly because of our encouragement. We now want to continue this trend. I intend to convene later this year, in cooperation with other government agencies, a conference of American agricultural, manufacturing and commercial enterprises to consider opportunities for trade and investment on the continent.

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

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

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

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

Mr. Chairman,

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

May I now turn to the Bill before this Committee.

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

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

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

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

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

The second activity shown in Section 2 is "International Organizations and Conferences." Funds are provided here for the United States' share of the expenses of international organizations in which our membership has been authorized by treaties, conventions or specific Acts of Congress. This section also provides operating funds for the American missions at the headquarters of certain international organizations, the funding of United States participation in multilateral conferences and meetings, annual contributions to several provisional organizations, and expenses of Congressional delegations to international parliamentary meetings. A total of \$188,263,000 is needed for these activities.

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

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

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

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

Under Section 3 of the Bill we request authorization for appropriations for the fiscal year ending June 30, 1973, for certain activities and expenses that are difficult or impossible to specify in advance, such as

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increases in pay, retirement, and other employee benefits provided by law which require supplemental appropriations. This section would also authorize appropriations to meet mandatory increases such as those arising from international exchange rate realignments, or new or expanded activities authorized by law or treaty after the enactment of this legislation.

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

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

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

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

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