

Moscow

I begin with a word of

May, ~~I begin with a word of~~ gratitude to the Parliamentary Group of the Supreme Soviet for their kind invitation to visit the Soviet Union this week. I understand that the Central Committee of the Supreme Soviet is now reviewing the budget for the coming year. You have my sympathy. As chairman of the Senate Finance Committee, I seem to spend most of my time doing the same thing - and I know just how demanding the process can be. I might also add that I look forward to meeting with Soviet officials on Thursday to discuss more fully economic and trade matters - and I very much hope that ^{members of the Supreme Soviet} ~~the~~ Parliamentary Group might reciprocate this visit by coming to Washington some time next year. Perhaps we can compare notes on budgetmaking.

This is all a bit new to me, although highly welcome. I'm reminded of what Harold MacMillan once said when asked to define the job of the modern diplomat. "A diplomat," he replied, "is forever poised halfway between an indiscretion and a cliché." I hope to avoid both this ~~evening~~ ^{evening} - and for the chance to address this gathering at all, I want to thank William Verity, co-chairman of the US-USSR Trade and Economic Council. I need ^{not} ~~hardly~~ tell ^{you} of the importance that we in the United States attach to this organization, nor of the hope we nurture, despite recent setbacks, for warmer relations between our two nations in the months and years ahead.

It is in the pursuit of such renewed ties that I have come to Moscow along with my congressional colleagues: ~~Senator Daniel Patrick Moynihan of New York, and~~ Representatives James Broyhill of North Carolina, William Frenzel of Minnesota, Douglas Bereuter of Nebraska and John Breaux of Louisiana. I know that they share

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anticipation of the work to be done in the various council panels tomorrow. More important, they share a common dedication to easing the strains and relieving the tensions that have plagued relations between our countries these past few years.

Forty years ago, no such gulf existed. For we were allies then, partners in a war against fascism, a war to rid civilization of the Nazi pestilence. I fought in that war. I bear physical and emotional reminders of it to this day. I don't want to see another generation of Americans or Russians forced to make a similar sacrifice. We have our differences. They are fundamental. They are historic. But they pale beside the world's appetite for peace. They cast a feeble shadow compared to the light of goodwill and mutual support that united us once, and can melt down many of ~~our~~ the barriers that separate us now. President Kennedy used to say, "It takes two to make peace!" Our presence here today - like the meetings to follow and the discussions that are unfolding in Geneva - suggest that neither of us have forgotten the wisdom of that adage. And that alone is good news to every friend of a world wherein conflict ~~is~~ mediated with words and not weapons, ~~and where the greatest conflict of all is the clash of ideas, not the harrowing~~

whose greatest
conflict comes in
the clash of ideas,
not armies -
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CONGRESSMEN JAMES BROYHILL OF NORTH CAROLINA, WILLIAM FRENZEL OF MINNESOTA, DOUGLAS BEREUTER OF NEBRASKA AND JOHN BREAUX OF LOUISIANA. I KNOW THAT SEVERAL OF MY COLLEAGUES WILL PARTICIPATE IN COUNCIL PANELS TOMORROW.

SIGNIFICANCE OF THE COUNCIL MEETING

THIS MEETING OF THE US-USSR TRADE AND ECONOMIC COUNCIL IS SIGNIFICANT FOR SEVERAL REASONS. IT IS THE FIRST ^{such} MEETING ~~OF THE~~ COUNCIL SINCE 1978, ^{WHEN} IN LOS ANGELES, ~~WHERE~~ DETENTE WAS STILL SIGNALING ^{ed} PROGRESS IN A BROAD RANGE OF BILATERAL RELATIONS. IN A SENSE, THIS ^{gathering} MEETING SIGNIFIES ^{our} HOPE THAT, IN THE ABSENCE OF FURTHER DETERIORATION, ~~THERE IS ALWAYS~~ BASIS TO BEGIN IMPROVING RELATIONS, ^{even to recapture the spirit of Los Angeles, four years ago.}

SECONDLY, BILATERAL RELATIONS HAVE UNDERGONE SEVERAL SEVERE TESTS, ^{I need hardly remind you that} ~~RECENTLY WHICH~~ ^{recently} ALTHOUGH STILL UNRESOLVED, HAVE PROVIDED ^{they} ~~THE~~ LEADERSHIP ^{of} IN BOTH COUNTRIES, A CLEARER INDICATION OF EACH OTHER'S CONCERNS AND PRIORITIES. ^{with} ~~THERE IS NO~~ DOUBT THAT THE EXISTING SYSTEM IN WHICH CONCESSIONS ARE OBTAINED ONLY THROUGH

^{That is scant reason for}
failing to resolve them now.
What's more, who among us
can

Our message is simple:
it is time to replace
brinksmanship with
statesmanship.

DIPLOMATIC, ECONOMIC AND MILITARY BRINKSMANSHIP IS BOTH INEFFICIENT
AND SUBJECT TO MISUNDERSTANDING AND INCORRECT RESPONSE.

IF WE ARE TO MAKE PROGRESS IN OUR RELATIONS AND ~~IN~~ PREVENTING
FURTHER, ~~AND~~ MORE SERIOUS MISUNDERSTANDINGS, WE MUST ~~SUCCESSFULLY~~
ADDRESS TWO SPECIFIC AREAS OF BILATERAL CONCERN. MUTUAL TRUST
MUST BE ESTABLISHED IN OUR TRADE RELATIONS, AND MEANINGFUL PROGRESS
MUST BE MADE IN THE DISARMAMENT TALKS IN GENEVA. IN CONJUNCTION
WITH THESE MAJOR EFFORTS, THERE SHOULD BE A RENEWAL OF EXCHANGES

~~IN VARIOUS OTHER AREAS OF MUTUAL BENEFIT IN SCIENTIFIC, TECHNICAL
AND CULTURAL AREAS.~~

AMERICAN CONCERN FOR INDIVIDUAL FREEDOM

BEFORE EXPLORING THESE ISSUES IN GREATER DETAIL, I WOULD
MENTION ANOTHER AREA OF PARTICULAR CONCERN TO AMERICANS--~~THE~~ ~~AREA~~ ~~OF~~
INDIVIDUAL FREEDOM AND HUMAN RIGHTS. THROUGHOUT ITS
HISTORY, THE UNITED STATES HAS DEMONSTRATED A GENUINE CONCERN
FOR THE WELFARE OF ~~THE~~ PEOPLE OF ~~ALL~~ NATIONS. HAVING EXPERIENCED
RESTRAINTS ON ~~OUR~~ FREEDOM OF THOUGHT AND ACTION PRIOR TO

The advantages
of such cross-
pollination
are both mutual and
obvious.

This by no means exhausts
the catalogue of possibilities
for closer ties.

as the
first citizens
republic
since the time
of Plato,

we, no less than you, have
a world view. In our case, it is the legacy
of men who had

INDEPENDENCE, OUR FOUNDING FATHERS INCLUDED A BILL OF RIGHTS AS THE FIRST SET OF AMENDMENTS TO THE CONSTITUTION NEARLY 200 YEARS AGO. THESE PROTECTIONS TO THE INDIVIDUAL CITIZEN REMAIN A CORNERSTONE OF THE AMERICAN CIVIL AND JUDICIAL SYSTEM. WITH THIS STRONG HERITAGE, THE UNITED STATES HAS STRUGGLED AGAINST PREJUDICE AND PERSECUTION IN ~~OUR~~ OWN SOCIETY, EFFORTS THAT, WHILE

now as in the days of a raw, ramblent frontier. In my own state of Kansas, men fought and died so that other men would not be enslaved or denied equal protection under the law. More recently,

As a result,

United States

Americans have

their

~~BY~~ NO MEANS PERFECT, HAVE SERVED AS AN INDICATOR THAT OUR NATION

~~CONTINUES~~ TO STRIVE TOWARD A HIGHER QUALITY OF LIFE. AT THE SAME

TIME, WE HAVE URGED THE GOVERNMENTS OF OTHER NATIONS TO ADOPT

THESE SAME OBJECTIVES AS THE PROPER GOALS TO GUIDE THEIR SOCIAL

AND CULTURAL DEVELOPMENT.

OUR CONCERN IN THIS IMPORTANT AREA OF INDIVIDUAL FREEDOM HAS

TAKEN A VARIETY OF FORMS OF EXPRESSION, INCLUDING IN OUR ECONOMIC

RELATIONS WITH OTHER COUNTRIES. IT IS A PRINCIPAL FACTOR IN

DECISIONS ON PREFERENTIAL AID, CREDITS AND MOST FAVORED NATION

TRADING STATUS. IT ALSO HAS A SIGNIFICANT IMPACT ON NUMEROUS

OTHER POLITICAL, DIPLOMATIC, CULTURAL AND ADMINISTRATIVE AREAS

of freedom from oppressive rule.

Intelligent
of our history,
this is both
fitting and
proper. Two centuries
ago, we set an
example. Today,
we try to
set a standard for
individual
liberty as the
key that unlocks
the divine
spark within
each one of
us.

We have acknowledged our imperfect sins - and we have moved steadily closer to the dream that Martin Luther King described twenty years ago - that all

men
might
be
free -
and
all
men
might
be
brothers.

It has extended to

still

areas of

aspects

^{of} THAT COMPRISE OUR ~~OVERALL~~ RELATIONS WITH OTHER ^{nations. more opinions,} COUNTRIES. THE LINKAGE OF THESE PREFERENTIAL OR CONCESSIONAL BENEFITS TO A FOREIGN GOVERNMENT'S WILLINGNESS TO WORK TOWARD GREATER FREEDOM AND PROTECTION OF INDIVIDUAL RIGHTS IS A NATURAL AND APPROPRIATE MEANS BY WHICH THE UNITED STATES FOSTERS ITS VALUES ON A GLOBAL SCALE.

INCENTIVES VERSUS INTERVENTION

THE USE OF THESE ECONOMIC INCENTIVES BY GOVERNMENT IN THE PURSUIT OF NON-ECONOMIC OBJECTIVES SHOULD BE CLEARLY DIFFERENTIATED FROM DIRECT INTERVENTION IN BILATERAL TRADE. ^{It seems to me,} COMMERCE BETWEEN NATIONS IS DICTATED BY ITS INNATE MUTUAL BENEFIT TO BOTH PARTIES. AS LONG AS SOVEREIGNTY IS RECOGNIZED, THERE CAN BE NO QUESTION OF THE RIGHT OF PUBLIC AND PRIVATE ENTITIES TO CARRY OUT TRADE WITHOUT THREAT OF PUNISHMENT BY THE STATE.

Let one move from what Winston Churchill called "the tossing sea of Cause and theory to the firm ground of Result and Fact."

THERE HAS BEEN A GREAT DEAL OF CRITICISM OF THE RECENT RECORD OF THE UNITED STATES AS A RELIABLE TRADING PARTNER. UNFORTUNATELY, MUCH OF THIS CRITICISM IS JUSTIFIED. THE PARTIAL GRAIN EMBARGO

I should know: for I have made some of the criticism myself.

IMPOSED BY FORMER PRESIDENT CARTER WAS AN UNFORTUNATE AND IMPROPER
 EXERCISE OF EXECUTIVE AUTHORITY UNDER THE EXPORT ADMINISTRATION
 ACT OF 1979. ^{in my opinion,} INVOCATION ^{ing} OF ~~THE~~ FOREIGN POLICY AND NATIONAL SECURITY
^{What's more,} JUSTIFICATIONS FOR THIS ACTION TO ABROGATE PRIVATE SALES CONTRACTS
 HAS TAINTED COMMERCIAL COMMITMENTS BY PRIVATE U.S. FIRMS ^{then and since,}
 REGARDLESS OF THE SUCCESS OF THE EMBARGO IN ACHIEVING ITS IMMEDIATE
 GOALS, THE LONG-TERM EFFECT ON U.S. EXPORTS CONTINUES TO BE
 DISCOURAGING.

GUIDELINES FOR TRADE POLICY

*If we achieve nothing
 else this week, I hope
 at least to convey
 a sensitivity on
 this issue of
 trade and
 politics, which
 so often mix
 like oil and water.*

IF U.S.-SOVIET TRADE IS TO CONTINUE TO UNDERGO THE STRAINS
 OF FOREIGN POLICY AND NATIONAL SECURITY SCRUTINY, ^{then at least} THE RULES UNDER
 WHICH IT IS CONDUCTED ^{ought to} ~~SHOULD~~ BE MORE CLEARLY DEFINED. I WOULD
^{For myself,} OFFER THE FOLLOWING GUIDELINES ~~ON EXERCISING AUTHORITY UNDER THE~~
~~EXPORT ADMINISTRATION ACT~~ AS A BASIS FOR RENEWED CONFIDENCE AND
 GROWTH:

1. THE CRITERIA FOR ANY GOVERNMENT TRADE RESTRAINT SHOULD
 BE CLEARLY IDENTIFIED, AND SHOULD SERVE AS GROUND RULES FOR
 COMMERCIAL RELATIONS:

2. ANY DECISION TO CURTAIL TRADE SHOULD HAVE NO EFFECT ON CONTRACTS NEGOTIATED IN ACCORDANCE WITH THE ANNOUNCED CRITERIA;

3. IN NO CASE SHOULD TRADE IN NON-STRATEGIC PRODUCTS OR TECHNOLOGIES BE RESTRICTED FOR NATIONAL SECURITY PURPOSES;

4. IN NO CASE SHOULD ANY TRADE RESTRICTIONS BE IMPOSED FOR FOREIGN POLICY REASONS UNLESS BILATERAL RELATIONS ARE SEVERED ACROSS-THE-BOARD.

Now let me be clear.
~~I WOULD HOPE THAT THESE GUIDELINES ARE NOT~~ ^{to be} INTERPRETED AS A MEANS OF INSTITUTIONALIZING TRADE EMBARGOES. ^{On the contrary,} ~~RATHER, THEY WOULD~~ ^{should} ~~SERVE TO~~ REDUCE UNCERTAINTY AND RESTORE CONFIDENCE THAT CONTRACTS

NEGOTIATED WILL BE HONORED AND THAT A LONG-TERM FRAMEWORK FOR RENEWED TRADE IS IN PLACE. *They should help rebuild the tattered structure of trade between our two nations, by defining legitimate priorities - and by designing ways and means of achieving these priorities.*
POTENTIAL FOR AGRICULTURAL TRADE

~~I WOULD LIKE TO COMMENT BRIEFLY ON AGRICULTURAL TRADE BETWEEN~~ *Let me be more specific still, with a focus on* THE UNITED STATES AND THE SOVIET UNION. IN NO OTHER SECTOR IS *cheer- ing these priorities.*

the greatest ~~THE~~ ^{the} POTENTIAL FOR RENEWED COMMERCIAL RELATIONS, ~~AS MANIFEST AS WE~~ ^{in 1987} SEE IN GRAIN TRADE TODAY. GRAIN PRODUCTION IN THE USSR HAS

In no other area does simple common sense dictate cooperation and more manifestly that we put aside our differences and focus on future potential rather than past or narrow.

EXPERIENCED A FOURTH CONSECUTIVE DISAPPOINTING YEAR. ~~IN 1982~~
IMPORTS ARE PROJECTED BY THE U.S. DEPARTMENT OF AGRICULTURE AT
SOME 40 MILLION TONS. ON THE OTHER HAND, OUR 1982 HARVESTS OF
CORN, WHEAT AND SOYBEANS ^{have} SET NEW RECORDS. OUR ELEVATORS AND BINS
ARE BULGING WITH LAST YEAR'S CROP, EMERGENCY STORAGE IS BEING
UTILIZED, ^{and} FARM PRICES CONTINUE AT EXTREMELY LOW LEVELS. THERE
WOULD SEEM TO BE EVERY REASON FOR A RESUMPTION OF SIGNIFICANT
SALES OF U.S. GRAIN TO THE SOVIET UNION.

These reasons include positive actions by my own government.

— PRESIDENT REAGAN HAS MADE IT CLEAR THAT THERE WILL BE NO
ACTION BY THE ADMINISTRATION TO RESTRICT OR CONTROL SALES OF
GRAIN AND OTHER AGRICULTURAL PRODUCTS TO THE USSR. THE OUTSTANDING
U.S. OFFER TO HONOR CONTRACTS ABOVE THE EIGHT MILLION TONS SPECIFIED
IN THE US-USSR GRAIN AGREEMENT IS A DIRECT REFLECTION OF THIS
COMMITMENT. IF THE TERMS ARE ^{OVERLY} ~~UNDERTY~~ RESTRICTIVE, I WOULD
ENCOURAGE THE SOVIET SIDE TO REQUEST ANY REASONABLE MODIFICATION.
I HAVE BEEN ASSURED THAT THE NECESSARY FLEXIBILITY EXISTS. ^P EVEN
~~IF~~ THIS OPPORTUNITY ~~IS~~ NOT TAKEN ADVANTAGE OF, THE PRECEDENT HAS
^{so far as Washington is concerned}
^{should} ^{be}

Personally, I hope you do avail yourselves of the offer that has been made, and

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BEEN ESTABLISHED--WHATEVER QUANTITY OF GRAIN IS BOUGHT WILL BE DELIVERED. I WOULD HOPE, HOWEVER, THAT AGRICULTURAL TRADE BETWEEN OUR TWO COUNTRIES CONTINUES AT A LEVEL THAT WILL JUSTIFY NEGOTIATION OF A SUCCESSOR TO THE EXISTING 1975 GRAIN AGREEMENT, ~~IN 1983~~.

ANOTHER ^{subject} ~~AREA~~ THAT SHOULD BE DISCUSSED, IS THE RESUMPTION OF EXCHANGE PROGRAMS FOR SCIENTIFIC AND TECHNICAL COOPERATION. ~~THESE~~ *Such relationships* INTERCHANGES ARE THE NECESSARY COMPLEMENT TO TRADE, AND ~~SERVE TO~~ *they help* IDENTIFY ^{other areas} ~~SECTORS~~ IN WHICH PROGRESS CAN BE MADE DESPITE IMPASSES ON MAJOR ISSUES. I LOOK FORWARD TO RECEIVING THE VIEWS OF SOVIET ~~REPRESENTATIVES~~ *the* THIS WEEK ON WAYS TO REVITALIZE THESE MUTUALLY-BENEFICIAL EXCHANGES.

THE COST OF THE ARMS RACE

Finally, I come to the most delicate, most significant area of all.
~~RELATIONS BETWEEN OUR TWO COUNTRIES ARE IN THE SHADOW NOT ONLY OF THE PAST, BUT OF THE IMMEDIATE FUTURE. THE NEXT TWELVE MONTHS WILL BE OF THE GREATEST SIGNIFICANCE TO WORLD SECURITY, AS THE GENEVA DISARMAMENT TALKS MOVE INTO 1983. AT THIS STAGE, THERE IS NO TELLING WHEN OR IF THE TALKS WILL BE SUCCESSFUL.~~

now underway in Geneva

control.

That, of course, is the question of arms

All that we know for certain is this: that our future would all but guarantee

WHETHER WE WILL ENTER A NEW AND EVEN MORE COSTLY ~~PERIOD~~ ^{round armaments} OF ~~ARMS~~ EXPENDITURES. AS CHAIRMAN OF THE SENATE COMMITTEE ON FINANCE, ^{and a perceptible quickening of the nuclear clock we all seek to halt.} WHICH OVERSEES A THIRD OF GOVERNMENT SPENDING AND ALL OF ITS REVENUE RAISING, I KNOW WHAT THIS COST WILL MEAN TO THE UNITED STATES. I ~~ALSO~~ UNDERSTAND THAT THE SOVIET AUTHORITIES THIS WEEK ARE MAKING SIMILAR DECISIONS ON DOMESTIC AND MILITARY EXPENDITURES-- DECISIONS THAT ENTAIL SIGNIFICANT SACRIFICES FOR THE RUSSIAN PEOPLE. AT SOME POINT, BOTH SIDES MUST REACH THE SAME CONCLUSION: THAT THE ECONOMIC COSTS OF AN UNCONTROLLED ARMS BUILD-UP ARE INTOLERABLE, ^{that they} ~~AND~~ ^{wherein} OUTWEIGH THE SECURITY BENEFITS IN A WORLD ~~IN WHICH~~ THE OUTBREAK OF ~~A~~ WAR THREATENING EITHER COUNTRY'S SECURITY WOULD BE RUINOUS TO MANKIND, ^{and that our energies must be harnessed to more creative and less destructive pursuits.}

FOR THESE REASONS, IT IS IMPORTANT FOR OUR TWO NATIONS TO ^{all} CONTINUE TO STRIVE TO IMPROVE RELATIONS IN WHATEVER WAYS ARE POSSIBLE, ^{We can acknowledge the existence of obstacles - and still resolve them.} ~~TO WORK AROUND THE OBSTACLES AND DEMONSTRATE THAT WE~~ ~~ARE BOTH MAKING A GOOD FAITH EFFORT.~~ THE BOTTOM LINE IS THAT, IF WE ARE TO ENSURE A BETTER, ~~AND~~ SAFER WORLD FOR OUR CHILDREN,

We can put to rest in perspective, lest it blot out any possibility of future progress. We can consider the bottom line.

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WE MUST AT SOME POINT ~~IN THE NEAR FUTURE~~ BEGIN TO BUILD MUTUAL SECURITY BASED ON PEACE, NOT INDIVIDUAL SECURITY BASED ON THE LIKELIHOOD OF WAR.

As the great wartime ally of Soviet Russia, the name of Franklin Roosevelt is revered in this nation perhaps more than that of any other of my countrymen. Now, in the centenary of President Roosevelt's birth, I am reminded of some words he wrote the day before he died. He was thinking ahead to the first meeting of the United Nations, and to all of the problems attendant on re-^{org}organization and renewing a postwar world. "Today", he wrote, "as we move against the terrible scourge of war - as we go forward toward the greatest contribution that any generation of human beings can make in this world - the contribution of lasting peace, I ask you to keep up your faith...The only limit to our realization of tomorrow will be our doubts of today!"

It is in that spirit that my congressional colleagues and I are pleased to meet with all of you this week. We hope that we might dispel some doubts on both sides. We hope that we might raise the limits that weigh on all our tomorrows. Most of all, we hope that we might, in some small way, contribute to a world less frightened, and a relationship between two great peoples made more secure. Thank you very much.

For the opportunity to try, we are deeply grateful.

REMARKS BY SENATOR ROBERT DOLE
US-USSR TRADE AND ECONOMIC COUNCIL
NOVEMBER 16, 1982

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Changes

ADD
[INTRO -]

lead in

I BEGIN WITH A WORD OF GRATITUDE TO THE PARLIAMENTARY GROUP OF THE SUPREME SOVIET FOR THEIR KIND INVITATION TO VISIT THE SOVIET UNION THIS WEEK. I UNDERSTAND THAT THE CENTRAL COMMITTEE OF THE SUPREME SOVIET IS NOW REVIEWING THE BUDGET FOR THE COMING YEAR. YOU HAVE MY SYMPATHY. AS CHAIRMAN OF THE SENATE FINANCE COMMITTEE, I SEEM TO SPEND MOST OF MY TIME DOING THE SAME THING - AND I KNOW JUST HOW DEMANDING THE PROCESS CAN BE. I MIGHT ALSO ADD THAT I LOOK FORWARD TO MEETING WITH SOVIET OFFICIALS ON THURSDAY TO DISCUSS MORE FULLY ECONOMIC AND TRADE MATTERS - AND I VERY MUCH HOPE THAT MEMBERS OF THE SUPREME SOVIET PARLIAMENTARY GROUP MIGHT RECIPROCATE THIS VISIT BY COMING TO WASHINGTON SOME TIME NEXT YEAR. PERHAPS WE CAN COMPARE NOTES ON BUDGETMAKING.

THIS IS ALL A BIT NEW TO ME, ALTHOUGH HIGHLY WELCOME. I'M REMINDED OF WHAT HAROLD MacMILLAN ONCE SAID WHEN ASKED TO DEFINE THE JOB OF THE MODERN DIPLOMAT. "A DIPLOMAT," HE REPLIED, "IS

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FOREVER POISED HALFWAY BETWEEN AN INDISCRETION AND A CLICHE." I HOPE TO AVOID BOTH THIS EVENING - AND FOR THE CHANCE TO ADDRESS THIS GATHERING AT ALL, I WANT TO THANK WILLIAM VERITY, CO-CHAIRMAN OF THE US-USSR TRADE AND ECONOMIC COUNCIL. I NEED'NT TELL YOU OF THE IMPORTANCE THAT WE IN THE UNITED STATES ATTACH TO THIS ORGANIZATION, NOR OF THE HOPE WE NURTURE, DESPITE RECENT SETBACKS, FOR WARMER RELATIONS BETWEEN OUR TWO NATIONS IN THE MONTHS AND YEARS AHEAD.

IT IS IN THE PURSUIT OF SUCH RENEWED TIES THAT I HAVE COME TO MOSCOW ALONG WITH MY CONGRESSIONAL COLLEAGUES: REPRESENTATIVES JAMES BROYHILL OF NORTH CAROLINA, WILLIAM FRENZEL OF MINNESOTA, DOUGLAS BEREUTER OF NEBRASKA AND JOHN BREAUX OF LOUISIANA. I KNOW THAT THEY SHARE MY ANTICIPATION OF THE WORK TO BE DONE IN THE VARIOUS COUNCIL PANELS TOMORROW. MORE IMPORTANT, THEY SHARE A COMMON DEDICATION TO EASING THE STRAINS AND RELIEVING THE TENSIONS THAT HAVE PLAGUED RELATIONS BETWEEN OUR COUNTRIES THESE PAST FEW YEARS.

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FORTY YEARS AGO, NO SUCH GULF EXISTED. FOR WE WERE ALLIES THEN, PARTNERS IN A WAR AGAINST FASCISM, A WAR TO RID CIVILIZATION OF THE NAZI PESTILENCE. I FOUGHT IN THAT WAR. I BEAR PHYSICAL AND EMOTIONAL REMINDERS OF IT TO THIS DAY. I DON'T WANT TO SEE ANOTHER GENERATION OF AMERICANS OR RUSSIANS FORCED TO MAKE A SIMILAR SACRIFICE. WE HAVE OUR DIFFERENCES. THEY ARE FUNDAMENTAL. THEY ARE HISTORIC. BUT THEY PALE BESIDE THE WORLD'S APPETITE FOR PEACE. THEY CAST A FEEBLE SHADOW COMPARED TO THE LIGHT OF GOODWILL AND MUTUAL SUPPORT THAT UNITED US ONCE, AND CAN MELT DOWN MANY OF THE BARRIERS THAT SEPARATE US NOW. PRESIDENT KENNEDY USED TO SAY, "IT TAKES TWO TO MAKE PEACE." OUR PRESENCE HERE TODAY - LIKE THE MEETINGS TO FOLLOW AND THE DISCUSSIONS THAT ARE UNFOLDING IN GENEVA - SUGGEST THAT NEITHER OF US HAVE FORGOTTEN THE WISDOM OF THAT ADAGE. AND THAT ALONE IS GOOD NEWS TO EVERY FRIEND OF A WORLD WHOSE GREATEST CONFLICT COMES IN THE CLASH OF IDEAS, NOT ARMIES - A CONFLICT MEDIATED WITH WORDS AND NOT WEAPONS.

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THIS MEETING OF THE US-USSR TRADE AND ECONOMIC COUNCIL IS SIGNIFICANT FOR SEVERAL REASONS. IT IS THE FIRST SUCH MEETING SINCE 1978, WHEN DETENTE SIGNED PROGRESS IN A BROAD RANGE OF BILATERAL RELATIONS. IN A SENSE, THIS GATHERING SIGNIFIES OUR HOPE THAT, IN THE ABSENCE OF FURTHER DETERIORATION, A BASIS EXISTS TO BEGIN IMPROVING RELATIONS, EVEN TO RECAPTURE THE SPIRIT OF LOS ANGELES, FOUR YEARS AGO.

SECONDLY, I NEED HARDLY REMIND YOU THAT BILATERAL RELATIONS HAVE RECENTLY UNDERGONE SEVERAL SEVERE TESTS. ALTHOUGH STILL UNRESOLVED, THEY HAVE PROVIDED LEADERS OF BOTH COUNTRIES WITH A CLEARER INDICATION OF EACH OTHER'S CONCERNS AND PRIORITIES. THAT IS SCANT REASON FOR FAILING TO RESOLVE THEM NOW. WHAT'S MORE, WHO AMONG US CAN DOUBT THAT THE EXISTING SYSTEM IN WHICH CONCESSIONS ARE OBTAINED ONLY THROUGH DIPLOMATIC, ECONOMIC AND MILITARY BRINKSMANSHIP IS BOTH INEFFICIENT AND SUBJECT TO MISUNDERSTANDING AND

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OVERREACTION? OUR MESSAGE IS SIMPLE; IT IS TIME TO REPLACE BRINKSMANSHIP WITH STATESMANSHIP.

IF THAT IS TO HAPPEN - IF WE ARE TO MAKE PROGRESS IN OUR RELATIONS AND PREVENT FURTHER, EVEN MORE SERIOUS MISUNDERSTANDINGS, THEN I AM CONVINCED WE MUST BEGIN BY ADDRESSING TWO SPECIFIC AREAS OF BILATERAL CONCERN. FIRST, MUTUAL TRUST MUST BE ESTABLISHED IN OUR TRADE RELATIONS AND SECOND, MEANINGFUL PROGRESS MUST BE MADE IN THE DISARMAMENT TALKS IN GENEVA. THIS BY NO MEANS EXHAUSTS THE CATALOGUE OF POSSIBILITIES FOR CLOSER TIES. IN CONJUNCTION WITH THESE MAJOR EFFORTS, FOR INSTANCE, THERE SHOULD ALSO BE A RENEWAL OF EXCHANGES IN SCIENTIFIC, TECHNICAL AND CULTURAL AREAS. THE ADVANTAGES OF SUCH CROSS-POLLINATION ARE BOTH MUTUAL AND OBVIOUS.

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BEFORE EXPLORING THESE ISSUES IN GREATER DETAIL, I WOULD MENTION ANOTHER AREA OF PARTICULAR CONCERN TO AMERICANS--THAT OF

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INDIVIDUAL FREEDOM AND HUMAN RIGHTS. THROUGHOUT ITS HISTORY AS THE FIRST CITIZENS' REPUBLIC SINCE THE TIME OF PLATO, THE UNITED STATES HAS DEMONSTRATED A GENUINE CONCERN FOR THE RIGHTS OF PEOPLE THROUGHOUT THE WORLD. WE, NO LESS THAN YOU, HAVE A WORLD VIEW. IN OUR CASE, IT IS THE LEGACY OF MEN WHO HAD EXPERIENCED RESTRAINTS ON THEIR FREEDOM OF THOUGHT AND ACTION PRIOR TO INDEPENDENCE. AS A RESULT, OUR FOUNDING FATHERS INCLUDED A BILL OF RIGHTS AS THE FIRST SET OF AMENDMENTS TO THE UNITED STATES CONSTITUTION NEARLY 200 YEARS AGO. THESE PROTECTIONS TO THE INDIVIDUAL CITIZEN REMAIN A CORNERSTONE OF THE AMERICAN CIVIL AND JUDICIAL SYSTEM NOW AS IN THE DAYS OF A RAW, RAMBUNCTIOUS FRONTIER. IN MY OWN STATE OF KANSAS, MEN FOUGHT AND DIED SO THAT OTHER MEN WOULD NOT BE ENSLAVED OR DENIED EQUAL PROTECTION UNDER THE LAW. MORE RECENTLY, AMERICANS HAVE STRUGGLED AGAINST PREJUDICE AND PERSECUTION IN THEIR OWN SOCIETY. WE HAVE ACKNOWLEDGED OUR IMPERFECTIONS - AND WE HAVE MOVED STEADILY CLOSER TO THE DREAM THAT MARTIN LUTHER KING

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DESCRIBED TWENTY YEARS AGO - THAT ALL MEN MIGHT BE FREE - AND ALL MEN MIGHT BE BROTHERS. AT THE SAME TIME, WE HAVE URGED THE GOVERNMENTS OF OTHER NATIONS TO ADOPT THESE SAME OBJECTIVES AS THE PROPER GOALS TO GUIDE THEIR SOCIAL AND CULTURAL DEVELOPMENT. IN THE LIGHT OF OUR HISTORY, THIS IS BOTH FITTING AND PROPER. TWO CENTURIES AGO, WE SET AN EXAMPLE OF FREEDOM FROM OPPRESSIVE RULE. TODAY, WE TRY TO SET A STANDARD FOR INDIVIDUAL LIBERTY AS THE KEY THAT UNLOCKS THE DIVINE SPARK WITHIN EACH ONE OF US.

OUR CONCERN IN THIS IMPORTANT AREA OF INDIVIDUAL FREEDOM HAS TAKEN A VARIETY OF FORMS OF EXPRESSION. IT HAS EXTENDED TO OUR ECONOMIC RELATIONS WITH OTHER COUNTRIES. IT IS A PRINCIPAL FACTOR IN DECISIONS ON PREFERENTIAL AID, CREDITS AND MOST FAVORED NATION TRADING STATUS. IT ALSO HAS A SIGNIFICANT IMPACT ON STILL OTHER AREAS OF POLITICS, DIPLOMACY, CULTURAL AND ADMINISTRATIVE ASPECTS OF OUR RELATIONS WITH OTHER NATIONS. IN OUR OPINION, THE LINKAGE OF THESE PREFERENTIAL OR CONCESSIONAL BENEFITS TO A FOREIGN

GOVERNMENT'S WILLINGNESS TO WORK TOWARD GREATER FREEDOM AND PROTECTION OF INDIVIDUAL RIGHTS IS A NATURAL AND APPROPRIATE MEANS BY WHICH THE UNITED STATES FOSTERS ITS VALUES ON A GLOBAL SCALE.

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LET ME MOVE FROM WHAT WINSTON CHURCHILL CALLED "THE TOSSING SEA OF CAUSE AND THEORY TO THE FIRM GROUND OF RESULT AND FACT." THERE HAS BEEN A GREAT DEAL OF CRITICISM OF THE RECENT RECORD OF THE UNITED STATES AS A RELIABLE TRADING PARTNER. I SHOULD KNOW: FOR I HAVE MADE SOME OF THE CRITICISM MYSELF.

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GUIDELINES FOR TRADE POLICY

IF WE ACHIEVE NOTHING ELSE THIS WEEK, I HOPE AT LEAST TO CONVEY A SENSITIVITY ON THIS ISSUE OF TRADE AND POLITICS, WHICH SO OFTEN MIX LIKE OIL AND WATER. IF U.S.-SOVIET TRADE IS TO CONTINUE TO UNDERGO THE STRAINS OF FOREIGN POLICY AND NATIONAL SECURITY SCRUTINY, THEN AT LEAST THE RULES UNDER WHICH IT IS CONDUCTED OUGHT TO BE MORE CLEARLY DEFINED. FOR MYSELF, I WOULD OFFER THE FOLLOWING GUIDELINES

- 10 -

AS A BASIS FOR RENEWED CONFIDENCE AND GROWTH:

1. THE CRITERIA FOR ANY GOVERNMENT TRADE RESTRAINT SHOULD BE CLEARLY IDENTIFIED, AND SHOULD SERVE AS GROUND RULES FOR COMMERCIAL RELATIONS;

2. ANY DECISION TO CURTAIL TRADE SHOULD HAVE NO EFFECT ON CONTRACTS NEGOTIATED IN ACCORDANCE WITH THE ANNOUNCED CRITERIA;

3. IN NO CASE SHOULD TRADE IN NON-STRATEGIC PRODUCTS OR TECHNOLOGIES BE RESTRICTED FOR NATIONAL SECURITY PURPOSES;

4. IN NO CASE SHOULD ANY TRADE RESTRICTIONS BE IMPOSED FOR FOREIGN POLICY REASONS UNLESS BILATERAL RELATIONS ARE ~~SEVERED~~ ^{CURTAILED} ACROSS-THE-BOARD.

NOW LET ME BE CLEAR. THESE GUIDELINES ARE NOT TO BE INTERPRETED AS A MEANS OF INSTITUTIONALIZING TRADE EMBARGOES. ON THE CONTRARY, THEY SHOULD REDUCE UNCERTAINTY AND RESTORE CONFIDENCE THAT CONTRACTS NEGOTIATED WILL BE HONORED AND THAT A LONG-TERM FRAMEWORK FOR RENEWED TRADE IS IN PLACE. THEY SHOULD HELP REBUILD THE TATTERED

- 11 -

STRUCTURE OF TRADE BETWEEN OUR TWO NATIONS, BY DEFINING LEGITIMATE PRIORITIES - AND BY DESIGNING WAYS AND MEANS OF ACHIEVING THESE PRIORITIES.

POTENTIAL FOR AGRICULTURAL TRADE

LET ME BE MORE SPECIFIC STILL, WITH A COMMENT ON AGRICULTURAL TRADE BETWEEN THE UNITED STATES AND THE SOVIET UNION. IN NO OTHER SECTOR IS THERE GREATER POTENTIAL FOR RENEWED COMMERCIAL RELATIONS. IN NO OTHER AREA DOES SIMPLE COMMON SENSE MORE MANIFESTLY DICTATE THAT WE PUT ASIDE OUR DIFFERENCES AND FOCUS ON FUTURE POTENTIAL RATHER THAN PAST RANCOR. GRAIN PRODUCTION IN THE USSR IN 1982 HAS EXPERIENCED A FOURTH CONSECUTIVE DISAPPOINTING YEAR. IMPORTS ARE PROJECTED BY THE U.S. DEPARTMENT OF AGRICULTURE AT SOME 40 MILLION TONS. ON THE OTHER HAND, OUR 1982 HARVESTS OF CORN, WHEAT AND SOYBEANS HAVE SET NEW RECORDS. OUR ELEVATORS AND BINS ARE BULGING WITH LAST YEAR'S CROP, EMERGENCY STORAGE IS BEING UTILIZED, AND FARM PRICES CONTINUE AT EXTREMELY LOW LEVELS. THERE WOULD SEEM TO

BE EVERY REASON FOR A RESUMPTION OF SIGNIFICANT SALES OF U.S. GRAIN TO THE SOVIET UNION.

THESE REASONS INCLUDE POSITIVE MEASURES BY MY OWN GOVERNMENT. PRESIDENT REAGAN HAS MADE IT CLEAR THAT THERE WILL BE NO ACTION^{EXCEPT IN EXTREME CIRCUMSTANCES} BY THE ADMINISTRATION TO RESTRICT OR CONTROL SALES OF GRAIN AND OTHER AGRICULTURAL PRODUCTS TO THE USSR. THE OUTSTANDING U.S. OFFER TO HONOR CONTRACTS ABOVE THE EIGHT MILLION TONS SPECIFIED IN THE US-USSR GRAIN AGREEMENT IS A DIRECT REFLECTION OF THIS COMMITMENT. IF THE TERMS ARE OVERLY RESTRICTIVE, I WOULD ENCOURAGE THE SOVIET SIDE TO REQUEST ANY REASONABLE MODIFICATION. I HAVE BEEN ASSURED THAT SO FAR AS WASHINGTON IS CONCERNED, THE NECESSARY FLEXIBILITY EXISTS.

EVEN SHOULD THIS OPPORTUNITY NOT BE TAKEN ADVANTAGE OF, THE PRECEDENT HAS BEEN ESTABLISHED--WHATEVER QUANTITY OF GRAIN IS BOUGHT WILL BE DELIVERED. PERSONALLY, I HOPE YOU DO AVAIL YOURSELVES OF THE OFFER THAT HAS BEEN MADE, AND THAT AGRICULTURAL TRADE BETWEEN

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OUR TWO COUNTRIES CONTINUES AT A LEVEL THAT WILL SOON JUSTIFY NEGOTIATION OF A SUCCESSOR TO THE EXISTING 1975 GRAIN AGREEMENT.

ANOTHER SUBJECT THAT DESERVES TO BE DISCUSSED AT SOME LENGTH IS THE RESUMPTION OF EXCHANGE PROGRAMS FOR SCIENTIFIC AND TECHNICAL COOPERATION. SUCH RELATIONSHIPS ARE THE NECESSARY COMPLEMENT TO TRADE AND THEY HELP IDENTIFY OTHER AREAS IN WHICH PROGRESS CAN BE MADE DESPITE IMPASSES ON THE MAJOR ISSUES. I LOOK FORWARD TO RECEIVING THE VIEWS OF SOVIET REPRESENTATIVES THIS WEEK ON WAYS TO REVITALIZE THESE MUTUALLY-BENEFICIAL EXCHANGES.

THE COST OF THE ARMS RACE

FINALLY, I COME TO THE MOST DELICATE, MOST SIGNIFICANT AREA OF ALL. THAT, OF COURSE, IS THE QUESTION OF ARMS CONTROL. THE NEXT TWELVE MONTHS WILL BE OF THE GREATEST SIGNIFICANCE TO WORLD SECURITY. AT THIS STAGE, THERE IS NO TELLING WHEN OR IF THE TALKS NOW UNDERWAY IN GENEVA WILL BE SUCCESSFUL. ALL THAT WE KNOW FOR CERTAIN IS THIS: THAT THEIR FAILURE WOULD ALL BUT GUARANTEE A NEW AND EVEN

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MORE COSTLY ROUND OF ARMAMENTS, AND A PERCEPTIBLE QUICKENING OF THE NUCLEAR CLOCK WE ALL SEEK TO HALT. AS CHAIRMAN OF THE SENATE COMMITTEE ON FINANCE, WHICH OVERSEAS A THIRD OF GOVERNMENT SPENDING AND ALL OF ITS REVENUE RAISING, I KNOW WHAT THIS COST WILL MEAN TO THE UNITED STATES. I UNDERSTAND THAT THE SOVIET AUTHORITIES THIS WEEK ARE MAKING SIMILAR DECISIONS ON DOMESTIC AND MILITARY EXPENDITURES--DECISIONS THAT ENTAIL SIGNIFICANT SACRIFICES FOR THE RUSSIAN PEOPLE. AT SOME POINT, BOTH SIDES MUST REACH THE SAME CONCLUSION: THAT THE ECONOMIC COSTS OF AN UNCONTROLLED ARMS BUILD-UP ARE INTOLERABLE, THAT THEY OUTWEIGH THE SECURITY BENEFITS IN A WORLD WHEREIN THE OUTBREAK OF WAR WOULD BE RUINOUS TO MANKIND, AND THAT OUR ENERGIES MUST BE HARNESSSED TO MORE CREATIVE AND LESS DESTRUCTIVE PURSUITS.

FOR ALL THESE REASONS, IT IS IMPORTANT FOR OUR TWO NATIONS TO CONTINUE TO STRIVE TO IMPROVE RELATIONS IN WHATEVER WAYS ARE POSSIBLE. WE CAN ACKNOWLEDGE THE EXISTENCE OF OBSTACLES - AND STILL

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RESOLVE TO WORK AROUND THEM. WE CAN PUT THE PAST IN PERSPECTIVE, LEST IT BLOT OUT ANY POSSIBILITY OF FUTURE PROGRESS. WE CAN CONSIDER THE BOTTOM LINE. THE BOTTOM LINE IS THAT, IF WE ARE TO ENSURE A BETTER, SAFER WORLD FOR OUR CHILDREN, WE MUST AT SOME POINT BEGIN TO BUILD MUTUAL SECURITY BASED ON PEACE, NOT INDIVIDUAL SECURITY BASED ON THE LIKELIHOOD OF WAR.

AS THE GREAT WARTIME ALLY OF SOVIET RUSSIA, THE NAME OF FRANKLIN ROOSEVELT IS REVERED IN THIS NATION PERHAPS MORE THAN THAT OF ANY OTHER OF MY COUNTRYMEN. NOW, IN THE CENTENARY OF PRESIDENT ROOSEVELT'S BIRTH, I AM REMINDED OF SOME WORDS HE WROTE THE DAY BEFORE HE DIED. HE WAS THINKING AHEAD TO THE FIRST MEETING OF THE UNITED NATIONS, AND TO ALL OF THE PROBLEMS ATTENDANT ON REORGANIZING AND RENEWING A POSTWAR WORLD. "TODAY," HE WROTE, "AS WE MOVE AGAINST THE TERRIBLE SCOURGE OF WAR - AS WE GO FORWARD TOWARD THE GREATEST CONTRIBUTION THAT ANY GENERATION OF HUMAN BEINGS CAN MAKE IN THIS WORLD - THE CONTRIBUTION OF LASTING PEACE, I ASK

- 16 -

YOU TO KEEP UP YOUR FAITH...THE ONLY LIMIT TO OUR REALIZATION OF TOMORROW WILL BE OUR DOUBTS OF TODAY."

IT IS IN THAT SPIRIT THAT MY CONGRESSIONAL COLLEAGUES AND I ARE PLEASED TO MEET WITH ALL OF YOU THIS WEEK. WE HOPE THAT WE MIGHT DISPEL SOME DOUBTS ON BOTH SIDES. WE HOPE THAT WE MIGHT RAISE THE LIMITS THAT WEIGH ON ALL OUR TOMORROWS. MOST OF ALL, WE HOPE THAT WE MIGHT, IN SOME SMALL WAY, CONTRIBUTE TO A WORLD LESS FRIGHTENED, AND A RELATIONSHIP BETWEEN TWO GREAT PEOPLES MADE MORE SECURE. FOR THE OPPORTUNITY TO TRY, WE ARE DEEPLY GRATEFUL. THANK YOU VERY MUCH.

- 2 -

AND IT IS IN THAT SPIRIT THAT I AM GRATEFUL TO THE PARLIAMENTARY GROUP OF THE SUPREME SOVIET FOR THEIR KIND INVITATION TO VISIT THE SOVIET UNION THIS WEEK. I UNDERSTAND THAT THE CENTRAL COMMITTEE OF THE SUPREME SOVIET IS NOW REVIEWING THE BUDGET FOR THE COMING YEAR. YOU HAVE MY SYMPATHY. AS CHAIRMAN OF THE SENATE FINANCE COMMITTEE, I SEEM TO SPEND MOST OF MY TIME DOING THE SAME THING - AND I KNOW JUST HOW DEMANDING THE PROCESS CAN BE. I MIGHT ALSO ADD THAT I LOOK FORWARD TO MEETING WITH SOVIET OFFICIALS ON THURSDAY TO DISCUSS MORE FULLY ECONOMIC AND TRADE MATTERS - AND I VERY MUCH HOPE THAT MEMBERS OF THE SUPREME SOVIET PARLIAMENTARY GROUP MIGHT RECIPROCATE THIS VISIT BY COMING TO WASHINGTON SOME TIME NEXT YEAR. PERHAPS WE CAN COMPARE NOTES ON BUDGETMAKING.

THIS IS ALL A BIT NEW TO ME, ALTHOUGH HIGHLY WELCOME. I'M REMINDED OF WHAT HAROLD MacMILLAN ONCE SAID WHEN ASKED TO DEFINE THE JOB OF THE MODERN DIPLOMAT. "A DIPLOMAT," HE REPLIED, "IS

11/9/82

SCHEDULE FOR SENATOR DOLE: NOVEMBER 22-26

Mon. Nov. 22 4:00 PM Depart Paris (Le Bourget) via Air Force T-39 (4 passenger, 2 engine jet).
Met by Economic Counselor Brayton Redeker.

6:00 Arrive Madrid (Torrejon AFB). Embassy transportation to Palace Hotel.

7:00 Reception by Ambassador Todman (Mekinas delegation also present).
8:30 Dinner invitation by Bernard Barthe, Director-General of Sesostris (Louis Dreyfus affiliate) at Calacain Restaurant (small, quiet ~~restaurant~~ restaurant). Head of Madrid branch of Drexel Burnham Lambert can also attend.

Tues. Nov. 23 10:00 AM Briefing on Helsinki proceedings at US Embassy.

12:00 Address Conference on Security and Cooperation in Europe (CSCE).

~~7:00 AM~~ 1:00 PM Luncheon ~~with~~ ^{by} Ambassador Kampleman.

4:00 Depart Madrid.

5:45 Arrive Geneva. Embassy transportation to Ambassador Swaebe's residence. ~~at Intercontinental Hotel.~~

~~7:00~~ ~~8:00~~ ^{7:00} Pass by reception ~~Dinner~~ for Japanese Delegation by Ambassador Brock. ~~at~~ Dinner for US Congressional Delegation by ECAT (Ed Pratt of Pfizer, host, spouses invited).

8:00

Weds. Nov. 24 7:45 AM Briefing of US Delegation.

9:00-1:00 PM Ministerial opening ceremonies at International Conference Center (address by Ambassador Brock).

1:00 Luncheon for Congressional Delegation by US Ambassador Swaebe.

3:00 Plenary (US Mission Conference Room) or private meetings with key GATT participants.

6:00 Briefing for Congressional Delegation by Arms Control Ambassadors Nitze and Rowney.

7:30 Dinner for Congressional Delegation by Ambassadors Nitze and Rowney (spouses invited).

~~Consulate~~ Met by Economic Office
George M. White. Consulate transportation
to Principe and Savoia Hotel (Senators
and Mrs. Dole, ~~and~~ Tel: 02-6230) and
Windsor Hotel (staff).

Thurs. Nov. 25 9:00 AM Depart Geneva via T-39.
 10:00 Arrive Bologna. ^{Met by Florence Consulate officials}
 to Castel d'Aiano and return to Bologna. ^{with two cars and members of the Tondi family}
 1:00 PM Lunch at Restaurant Tondi Carlo.
 3:00 Depart Bologna.
 3:30 Arrive Milan. ^{Chamber of Commerce}
~~Meet with Italian financial community.~~
 5:00 ~~Meet with key members of Italian-American~~
~~dinner arrangements to be proposed~~
~~by American Consulate/Milan.~~
 8:00 Dinner by Consul General Collins including key
 members of Italian business
 and financial community.
 Fri. Nov. 26 8:30 AM Depart Milan.
 9:15 Arrive Geneva. ~~Attend Ministerial~~
~~Plenary or additional meetings with~~
~~GATT participants.~~ ^{proceed directly to}
 C-135 for 10:00 AM departure for
 lunch open. Andrews AFB.
~~1:30 PM Depart for Geneva airport.~~
~~3:00 Depart Geneva.~~
~~7:10 Arrive Andrews AFB.~~

Resume GATT
schedule or

(A)

All of us meet in the shadow of a fallen leader. On behalf of the American people and my own Cong. colleagues, I wish to extend sincere condolences on his loss. The American people knew Leonid Brezhnev, but imperfectly as the Soviet counterpart to five U.S. Presidents. They respected him as a shaper of modern history, a man who placed his stamp on an entire generation. Like them, I hope that our two countries might find a common ground on which to pursue a world at peace. To General

Secretary Andropov, as to each of
his — million countrymen,
I express such a wish -- and
an invitation to work together ~~and~~
despite our differences, to ensure
the security of mankind itself.

REMARKS BY SENATOR ROBERT DOLE
US-USSR TRADE AND ECONOMIC COUNCIL

NOVEMBER 16, 1982



IT IS
AND

~~IN THAT~~

~~I AM GRATEFUL~~
~~I BEGIN WITH A WORD OF GRATITUDE~~

THAT

TO THE PARLIAMENTARY GROUP

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OF THE SUPREME SOVIET IS NOW REVIEWING THE BUDGET FOR THE COMING
YEAR. YOU HAVE MY SYMPATHY. AS CHAIRMAN OF THE SENATE FINANCE
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- 2 -

FOREVER POISED HALFWAY BETWEEN AN INDISCRETION AND A CLICHE." I HOPE TO AVOID BOTH THIS EVENING - AND FOR THE CHANCE TO ADDRESS THIS GATHERING AT ALL, I WANT TO THANK WILLIAM VERITY, CO-CHAIRMAN OF THE US-USSR TRADE AND ECONOMIC COUNCIL. I NEED'NT TELL YOU OF THE IMPORTANCE THAT WE IN THE UNITED STATES ATTACH TO THIS ORGANIZATION, NOR OF THE HOPE WE NURTURE, DESPITE RECENT SETBACKS, FOR WARMER RELATIONS BETWEEN OUR TWO NATIONS IN THE MONTHS AND YEARS AHEAD.

IT IS IN THE PURSUIT OF SUCH RENEWED TIES THAT I HAVE COME TO MOSCOW ALONG WITH MY CONGRESSIONAL COLLEAGUES: REPRESENTATIVES JAMES BROYHILL OF NORTH CAROLINA, WILLIAM FRENZEL OF MINNESOTA, DOUGLAS BEREUTER OF NEBRASKA AND JOHN BREAUX OF LOUISIANA. I KNOW THAT THEY SHARE MY ANTICIPATION OF THE WORK TO BE DONE IN THE VARIOUS COUNCIL PANELS TOMORROW. MORE IMPORTANT, THEY SHARE A COMMON DEDICATION TO EASING THE STRAINS AND RELIEVING THE TENSIONS THAT HAVE PLAGUED RELATIONS BETWEEN OUR COUNTRIES THESE PAST FEW YEARS.

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FORTY YEARS AGO, NO SUCH GULF EXISTED. FOR WE WERE ALLIES THEN, PARTNERS IN A WAR AGAINST FASCISM, A WAR TO RID CIVILIZATION OF THE NAZI PESTILENCE. I FOUGHT IN THAT WAR. I BEAR PHYSICAL AND EMOTIONAL REMINDERS OF IT TO THIS DAY. I DON'T WANT TO SEE ANOTHER GENERATION OF AMERICANS OR RUSSIANS FORCED TO MAKE A SIMILAR SACRIFICE. WE HAVE OUR DIFFERENCES. THEY ARE FUNDAMENTAL. THEY ARE HISTORIC. BUT THEY PALE BESIDE THE WORLD'S APPETITE FOR PEACE. THEY CAST A FEEBLE SHADOW COMPARED TO THE LIGHT OF GOODWILL AND MUTUAL SUPPORT THAT UNITED US ONCE, AND CAN MELT DOWN MANY OF THE BARRIERS THAT SEPARATE US NOW. PRESIDENT KENNEDY USED TO SAY, "IT TAKES TWO TO MAKE PEACE." OUR PRESENCE HERE TODAY - LIKE THE MEETINGS TO FOLLOW AND THE DISCUSSIONS THAT ARE UNFOLDING IN GENEVA - SUGGEST THAT NEITHER OF US HAVE FORGOTTEN THE WISDOM OF THAT ADAGE. AND THAT ALONE IS GOOD NEWS TO EVERY FRIEND OF A WORLD WHOSE GREATEST CONFLICT COMES IN THE CLASH OF IDEAS, NOT ARMIES - A CONFLICT MEDIATED WITH WORDS AND NOT WEAPONS.

SIGNIFICANCE OF THE COUNCIL MEETING

THIS MEETING OF THE US-USSR TRADE AND ECONOMIC COUNCIL IS SIGNIFICANT FOR SEVERAL REASONS. IT IS THE FIRST SUCH MEETING SINCE 1978, WHEN DETENTE SIGNALLED PROGRESS IN A BROAD RANGE OF BILATERAL RELATIONS. IN A SENSE, THIS GATHERING SIGNIFIES OUR HOPE THAT, IN THE ABSENCE OF FURTHER DETERIORATION, A BASIS EXISTS TO BEGIN IMPROVING RELATIONS, EVEN TO RECAPTURE THE SPIRIT OF LOS ANGELES, FOUR YEARS AGO.

SECONDLY, I NEED HARDLY REMIND YOU THAT BILATERAL RELATIONS HAVE RECENTLY UNDERGONE SEVERAL SEVERE TESTS. ALTHOUGH STILL UNRESOLVED, THEY HAVE PROVIDED LEADERS OF BOTH COUNTRIES WITH A CLEARER INDICATION OF EACH OTHER'S CONCERNS AND PRIORITIES. THAT IS SCANT REASON FOR FAILING TO RESOLVE THEM NOW. WHAT'S MORE, WHO AMONG US CAN DOUBT THAT THE EXISTING SYSTEM IN WHICH CONCESSIONS ARE OBTAINED ONLY THROUGH DIPLOMATIC, ECONOMIC AND MILITARY BRINKSMANSHIP IS BOTH INEFFICIENT AND SUBJECT TO MISUNDERSTANDING AND

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OVERREACTION? OUR MESSAGE IS SIMPLE; IT IS TIME TO REPLACE BRINKSMANSHIP WITH STATESMANSHIP.

IF THAT IS TO HAPPEN - IF WE ARE TO MAKE PROGRESS IN OUR RELATIONS AND PREVENT FURTHER, EVEN MORE SERIOUS MISUNDERSTANDINGS, THEN I AM CONVINCED WE MUST BEGIN BY ADDRESSING TWO SPECIFIC AREAS OF BILATERAL CONCERN. FIRST, MUTUAL TRUST MUST BE ESTABLISHED IN OUR TRADE RELATIONS AND SECOND, MEANINGFUL PROGRESS MUST BE MADE IN THE DISARMAMENT TALKS IN GENEVA. THIS BY NO MEANS EXHAUSTS THE CATALOGUE OF POSSIBILITIES FOR CLOSER TIES. IN CONJUNCTION WITH THESE MAJOR EFFORTS, FOR INSTANCE, THERE SHOULD ALSO BE A RENEWAL OF EXCHANGES IN SCIENTIFIC, TECHNICAL AND CULTURAL AREAS. THE ADVANTAGES OF SUCH CROSS-POLLINATION ARE BOTH MUTUAL AND OBVIOUS.

AMERICAN CONCERN FOR INDIVIDUAL FREEDOM

BEFORE EXPLORING THESE ISSUES IN GREATER DETAIL, I WOULD MENTION ANOTHER AREA OF PARTICULAR CONCERN TO AMERICANS--THAT OF

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INDIVIDUAL FREEDOM AND HUMAN RIGHTS. THROUGHOUT ITS HISTORY AS THE FIRST CITIZENS' REPUBLIC SINCE THE TIME OF PLATO, THE UNITED STATES HAS DEMONSTRATED A GENUINE CONCERN FOR THE RIGHTS OF PEOPLE THROUGHOUT THE WORLD. WE, NO LESS THAN YOU, HAVE A WORLD VIEW. IN OUR CASE, IT IS THE LEGACY OF MEN WHO HAD EXPERIENCED RESTRAINTS ON THEIR FREEDOM OF THOUGHT AND ACTION PRIOR TO INDEPENDENCE. AS A RESULT, OUR FOUNDING FATHERS INCLUDED A BILL OF RIGHTS AS THE FIRST SET OF AMENDMENTS TO THE UNITED STATES CONSTITUTION NEARLY 200 YEARS AGO. THESE PROTECTIONS TO THE INDIVIDUAL CITIZEN REMAIN A CORNERSTONE OF THE AMERICAN CIVIL AND JUDICIAL SYSTEM NOW AS IN THE DAYS OF A RAW, RAMBUNCTIOUS FRONTIER. IN MY OWN STATE OF KANSAS, MEN FOUGHT AND DIED SO THAT OTHER MEN WOULD NOT BE ENSLAVED OR DENIED EQUAL PROTECTION UNDER THE LAW. MORE RECENTLY, AMERICANS HAVE STRUGGLED AGAINST PREJUDICE AND PERSECUTION IN THEIR OWN SOCIETY. WE HAVE ACKNOWLEDGED OUR IMPERFECTIONS - AND WE HAVE MOVED STEADILY CLOSER TO THE DREAM THAT MARTIN LUTHER KING

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DESCRIBED TWENTY YEARS AGO - THAT ALL MEN MIGHT BE FREE - AND ALL MEN MIGHT BE BROTHERS. AT THE SAME TIME, WE HAVE URGED THE GOVERNMENTS OF OTHER NATIONS TO ADOPT THESE SAME OBJECTIVES AS THE PROPER GOALS TO GUIDE THEIR SOCIAL AND CULTURAL DEVELOPMENT. IN THE LIGHT OF OUR HISTORY, THIS IS BOTH FITTING AND PROPER. TWO CENTURIES AGO, WE SET AN EXAMPLE OF FREEDOM FROM OPPRESSIVE RULE. TODAY, WE TRY TO SET A STANDARD FOR INDIVIDUAL LIBERTY AS THE KEY THAT UNLOCKS THE DIVINE SPARK WITHIN EACH ONE OF US.

OUR CONCERN IN THIS IMPORTANT AREA OF INDIVIDUAL FREEDOM HAS TAKEN A VARIETY OF FORMS OF EXPRESSION. IT HAS EXTENDED TO OUR ECONOMIC RELATIONS WITH OTHER COUNTRIES. IT IS A PRINCIPAL FACTOR IN DECISIONS ON PREFERENTIAL AID, CREDITS AND MOST FAVORED NATION TRADING STATUS. IT ALSO HAS A SIGNIFICANT IMPACT ON STILL OTHER AREAS OF POLITICS, DIPLOMACY, CULTURAL AND ADMINISTRATIVE ASPECTS OF OUR RELATIONS WITH OTHER NATIONS. IN OUR OPINION, THE LINKAGE OF THESE PREFERENTIAL OR CONCESSIONAL BENEFITS TO A FOREIGN

GOVERNMENT'S WILLINGNESS TO WORK TOWARD GREATER FREEDOM AND PROTECTION OF INDIVIDUAL RIGHTS IS A NATURAL AND APPROPRIATE MEANS BY WHICH THE UNITED STATES FOSTERS ITS VALUES ON A GLOBAL SCALE.

INCENTIVES VERSUS INTERVENTION

THE USE OF THESE ECONOMIC INCENTIVES BY GOVERNMENT IN THE PURSUIT OF NON-ECONOMIC OBJECTIVES SHOULD, IT SEEMS TO ME, BE CLEARLY DIFFERENTIATED FROM DIRECT INTERVENTION IN BILATERAL TRADE. COMMERCE BETWEEN NATIONS IS DICTATED BY ITS INNATE MUTUAL BENEFIT TO BOTH PARTIES. AS LONG AS SOVEREIGNTY IS RECOGNIZED, THERE CAN BE NO QUESTION OF THE RIGHT OF PUBLIC AND PRIVATE ENTITIES TO CARRY OUT TRADE WITHOUT THREAT OF PUNISHMENT BY THE STATE.

LET ME MOVE FROM WHAT WINSTON CHURCHILL CALLED "THE TOSSING SEA OF CAUSE AND THEORY TO THE FIRM GROUND OF RESULT AND FACT." THERE HAS BEEN A GREAT DEAL OF CRITICISM OF THE RECENT RECORD OF THE UNITED STATES AS A RELIABLE TRADING PARTNER. I SHOULD KNOW: FOR I HAVE MADE SOME OF THE CRITICISM MYSELF.

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THE PARTIAL GRAIN EMBARGO IMPOSED BY FORMER PRESIDENT CARTER WAS AN UNFORTUNATE AND, IN MY OPINION, IMPROPER EXERCISE OF EXECUTIVE AUTHORITY UNDER THE EXPORT ADMINISTRATION ACT OF 1979. WHAT'S MORE, INVOKING FOREIGN POLICY AND NATIONAL SECURITY JUSTIFICATIONS FOR THIS ACTION TO ABROGATE PRIVATE SALES CONTRACTS HAS TAINTED COMMERCIAL COMMITMENTS BY PRIVATE U.S. FIRMS THEN AND SINCE. REGARDLESS OF THE SUCCESS OF THE EMBARGO IN ACHIEVING ITS IMMEDIATE GOALS, THE LONG-TERM EFFECT ON U.S. EXPORTS CONTINUES TO BE DISCOURAGING.

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BE EVERY REASON FOR A RESUMPTION OF SIGNIFICANT SALES OF U.S. GRAIN TO THE SOVIET UNION.

THESE REASONS INCLUDE POSITIVE MEASURES BY MY OWN GOVERNMENT. PRESIDENT REAGAN HAS MADE IT CLEAR THAT THERE WILL BE NO ACTION BY THE ADMINISTRATION TO RESTRICT OR CONTROL SALES OF GRAIN AND OTHER AGRICULTURAL PRODUCTS TO THE USSR. THE OUTSTANDING U.S. OFFER TO HONOR CONTRACTS ABOVE THE EIGHT MILLION TONS SPECIFIED IN THE US-USSR GRAIN AGREEMENT IS A DIRECT REFLECTION OF THIS COMMITMENT. IF THE TERMS ARE OVERLY RESTRICTIVE, I WOULD ENCOURAGE THE SOVIET SIDE TO REQUEST ANY REASONABLE MODIFICATION. I HAVE BEEN ASSURED THAT SO FAR AS WASHINGTON IS CONCERNED, THE NECESSARY FLEXIBILITY EXISTS.

EVEN SHOULD THIS OPPORTUNITY NOT BE TAKEN ADVANTAGE OF, THE PRECEDENT HAS BEEN ESTABLISHED--WHATEVER QUANTITY OF GRAIN IS BOUGHT WILL BE DELIVERED. PERSONALLY, I HOPE YOU DO AVAIL YOURSELVES OF THE OFFER THAT HAS BEEN MADE, AND THAT AGRICULTURAL TRADE BETWEEN

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OUR TWO COUNTRIES CONTINUES AT A LEVEL THAT WILL SOON JUSTIFY NEGOTIATION OF A SUCCESSOR TO THE EXISTING 1975 GRAIN AGREEMENT.

ANOTHER SUBJECT THAT DESERVES TO BE DISCUSSED AT SOME LENGTH IS THE RESUMPTION OF EXCHANGE PROGRAMS FOR SCIENTIFIC AND TECHNICAL COOPERATION. SUCH RELATIONSHIPS ARE THE NECESSARY COMPLEMENT TO TRADE AND THEY HELP IDENTIFY OTHER AREAS IN WHICH PROGRESS CAN BE MADE DESPITE IMPASSES ON THE MAJOR ISSUES. I LOOK FORWARD TO RECEIVING THE VIEWS OF SOVIET REPRESENTATIVES THIS WEEK ON WAYS TO REVITALIZE THESE MUTUALLY-BENEFICIAL EXCHANGES.

THE COST OF THE ARMS RACE

FINALLY, I COME TO THE MOST DELICATE, MOST SIGNIFICANT AREA OF ALL. THAT, OF COURSE, IS THE QUESTION OF ARMS CONTROL. THE NEXT TWELVE MONTHS WILL BE OF THE GREATEST SIGNIFICANCE TO WORLD SECURITY. AT THIS STAGE, THERE IS NO TELLING WHEN OR IF THE TALKS NOW UNDERWAY IN GENEVA WILL BE SUCCESSFUL. ALL THAT WE KNOW FOR CERTAIN IS THIS: THAT THEIR FAILURE WOULD ALL BUT GUARANTEE A NEW AND EVEN

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MORE COSTLY ROUND OF ARMAMENTS, AND A PERCEPTIBLE QUICKENING OF THE NUCLEAR CLOCK WE ALL SEEK TO HALT. AS CHAIRMAN OF THE SENATE COMMITTEE ON FINANCE, WHICH OVERSEAS A THIRD OF GOVERNMENT SPENDING AND ALL OF ITS REVENUE RAISING, I KNOW WHAT THIS COST WILL MEAN TO THE UNITED STATES. I UNDERSTAND THAT THE SOVIET AUTHORITIES THIS WEEK ARE MAKING SIMILAR DECISIONS ON DOMESTIC AND MILITARY EXPENDITURES--DECISIONS THAT ENTAIL SIGNIFICANT SACRIFICES FOR THE RUSSIAN PEOPLE. AT SOME POINT, BOTH SIDES MUST REACH THE SAME CONCLUSION: THAT THE ECONOMIC COSTS OF AN UNCONTROLLED ARMS BUILD-UP ARE INTOLERABLE, THAT THEY OUTWEIGH THE SECURITY BENEFITS IN A WORLD WHEREIN THE OUTBREAK OF WAR WOULD BE RUINOUS TO MANKIND, AND THAT OUR ENERGIES MUST BE HARNESSSED TO MORE CREATIVE AND LESS DESTRUCTIVE PURSUITS.

FOR ALL THESE REASONS, IT IS IMPORTANT FOR OUR TWO NATIONS TO CONTINUE TO STRIVE TO IMPROVE RELATIONS IN WHATEVER WAYS ARE POSSIBLE. WE CAN ACKNOWLEDGE THE EXISTENCE OF OBSTACLES - AND STILL

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RESOLVE TO WORK AROUND THEM. WE CAN PUT THE PAST IN PERSPECTIVE, LEST IT BLOT OUT ANY POSSIBILITY OF FUTURE PROGRESS. WE CAN CONSIDER THE BOTTOM LINE. THE BOTTOM LINE IS THAT, IF WE ARE TO ENSURE A BETTER, SAFER WORLD FOR OUR CHILDREN, WE MUST AT SOME POINT BEGIN TO BUILD MUTUAL SECURITY BASED ON PEACE, NOT INDIVIDUAL SECURITY BASED ON THE LIKELIHOOD OF WAR.

AS THE GREAT WARTIME ALLY OF SOVIET RUSSIA, THE NAME OF FRANKLIN ROOSEVELT IS REVERED IN THIS NATION PERHAPS MORE THAN THAT OF ANY OTHER OF MY COUNTRYMEN. NOW, IN THE CENTENARY OF PRESIDENT ROOSEVELT'S BIRTH, I AM REMINDED OF SOME WORDS HE WROTE THE DAY BEFORE HE DIED. HE WAS THINKING AHEAD TO THE FIRST MEETING OF THE UNITED NATIONS, AND TO ALL OF THE PROBLEMS ATTENDANT ON REORGANIZING AND RENEWING A POSTWAR WORLD. "TODAY," HE WROTE, "AS WE MOVE AGAINST THE TERRIBLE SCOURGE OF WAR - AS WE GO FORWARD TOWARD THE GREATEST CONTRIBUTION THAT ANY GENERATION OF HUMAN BEINGS CAN MAKE IN THIS WORLD - THE CONTRIBUTION OF LASTING PEACE, I ASK

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YOU TO KEEP UP YOUR FAITH...THE ONLY LIMIT TO OUR REALIZATION OF TOMORROW WILL BE OUR DOUBTS OF TODAY."

IT IS IN THAT SPIRIT THAT MY CONGRESSIONAL COLLEAGUES AND I ARE PLEASED TO MEET WITH ALL OF YOU THIS WEEK. WE HOPE THAT WE MIGHT DISPEL SOME DOUBTS ON BOTH SIDES. WE HOPE THAT WE MIGHT RAISE THE LIMITS THAT WEIGH ON ALL OUR TOMORROWS. MOST OF ALL, WE HOPE THAT WE MIGHT, IN SOME SMALL WAY, CONTRIBUTE TO A WORLD LESS FRIGHTENED, AND A RELATIONSHIP BETWEEN TWO GREAT PEOPLES MADE MORE SECURE. FOR THE OPPORTUNITY TO TRY, WE ARE DEEPLY GRATEFUL. THANK YOU VERY MUCH.