F.A.S. Public interest report

Formerly the FAS Newsletter

SPECIAL UPDATING ISSUE: HEALTH, DETENTE, STRATEGY, FOOD, OCEANS

Vol. 27, No. 5

May, 1974

NATIONAL HEALTH INSURANCE— NEW BILL INTRODUCED

On April 2, Senator Edward M. Kennedy and Congressman Wilbur D. Mills joined to introduce a new proposal on national health insurance. This compromise approach vindicated the analysis of our April FAS Report on the Kennedy and Nixon proposals—an analysis which had gone to press too late to address the new approach.

In introducing this new bill, Kennedy and Mills noted that an extensive debate was underway but that "if we are to be responsive to the clearly perceived needs of our Nation, at some point the debate must end, adjustment of opposing views must be worked out and action taken."

They therefore modified the older Kennedy proposal to permit deductibles and coinsurance. (It had required no direct payments of any kind.) But they lowered these components of direct consumer spending. The annual deductible would be \$150 after which the patient would pay 25% (coinsurance) of later expenses. (Many kinds of care for children, including pre-natal care are excused from the deductible to encourage the use of these services.) No family would have to pay more than two full deductibles (\$300 total), even if there were more than two members (the Nixon bill would have set this at three deductibles or \$450). And the maximum deductible plus coinsurance required of any family in a year would be \$1,000 (rather than the Nixon bill's \$1,500).

Relating Direct Costs to Income

The Nixon bill related deductibles and coinsurance percentages closely to income level for those below \$10,000. The Kennedy-Mills bill relates them less closely and is, as a result, much easier to administer. Families of size one, two, three and four would be freed of any deductible or coinsurance payment if their incomes fell below \$2,400, \$3,600, \$4,200 or \$4,800 respectively. Increments of income above these limits could not be taxed for medical expenses at a rate higher than 25%.

The Kennedy-Mills bill repairs a major flaw in the Nixon plan by calling for virtually compulsory coverage and by covering the worker continuously no matter whether he moves from job to job or becomes unemployed. The

DETENTE AND SOVIET SCIENCE

Since the publication of the October FAS Report on Detente and Soviet Science, the most newsworthy development has been the expulsion of Alexander Solzhenitsyn. In December, Zhores Medvedev's Ten Years After Ivan Denisovich appeared in English describing Solzhenitsyn's struggle (Alfred Knopf, \$6.95). Many FAS members are familiar with Dr. Medvedev's book, The Medvedev Papers: The Plight of Soviet Science Today in which he skillfully uncovers the structure of censorship over science. This volume does an analogous service for Soviet literature, describing the unbelievably intense Soviet Government preoccupation with literary censorship. The power of the censors, and the Byzantine struggles required of those who want to publish are painful to behold.

Solzhenitsyn wrote A Day in the Life of Ivan Denisovich between 1956 and 1958 but, despairing of any chance of publishing it, he kept his story secret. After Khrushchev denounced Stalin's crime, a book about the Stalinist camps seemed plausible. He sent it to the famous journal Novy Mir, reknowned for its persistent efforts to push the limits of censorship in the direction of freer discussion.

First Secretary Subordinate to Censors

The journal's chief editor and guiding spirit was Alexander Tvardovsky. After rounding up endorsements of the book from men of letters and given the unanimous vote of the editorial board. Tvardovsky passed it along with a covering letter to Khrushchev's assistant on cultural matters, V. S. Lebedev. He read it aloud to Khrushchev while the latter was on vacation and in a relaxed mood. Khrushchev liked it but—although he had the authority as First Secretary to censor material passed by the censoring authority (Glavit)—he did not have the authority himself to authorize publication of any document.

The matter was referred to the Presidium of the Central Committee in November, 1962. It was cautious at its first meeting and unanimous at its second—after Khrushchev and Mikoyan moved its acceptance. But by March 1963, four months later, Khrushchev was backing down in the face of the submission for publication of many books about the Stalinist camps. In a related reversal, though Solzhenitsyn was the obvious candidate for the Lenin Prize in literature, the Lenin Prize committee was induced to strike him from the list of candidates by false charges—difficult to disprove immediately—that he had

-Continued on page 2

-Continued on page 3

INSURANCE, from page 1

Nixon plan had simply required employers to buy specified insurance benefits; this had the disadvantage of relating expenses for insurance to the experience of the particular employer—in particular, employees would be required to change coverage when they changed jobs, and employers might be induced to hire only classes of employees who were good health risks. On the other hand, the Nixon plan tended to encourage insurance companies to compete with one another in costs to secure the business.

The Kennedy-Mills bill requires that the Board of the Social Security Administration, which it sets up, "shall to the extent possible" enter into contracts with insurance carriers to administer the bill. This has the desirable effect of avoiding an enormous centralized bureaucracy in Washington whose duty it would be to process all claims. But the bill does not exploit the readiness of the insurance companies to translate the efficiency into savings through competition.

The bill would pay only charges that were "reasonable and necessary." But payments to physicians in any specified geographic area would be made in accordance with a fee schedule negotiated with the medical societies of that area. It would be adjusted upwards subsequently no faster than inflation.

The costs of this bill would be paid by having employers contribute an amount equal to 3% of the wages they pay. Employees would pay 1%. Both would pay only up to \$20,000 of income for each individual.

The Committee for National Health Insurance, representing a large number of labor and liberal interests, released a statement on April 16 declining to follow Senator Kennedy into this compromise. Labor insists that the plan adopted eliminate deductibles and coinsurance. ("Millions of American families will never again have to pay a doctor's bill or a hospital bill" notes CNHI if their preferred Health Security Bill is passed.) Other groups backing Scnator Kennedy's earlier proposal object to permitting insurance companies to participate in any way. ("Insurance companies would be fiscal intermediaries, but the evidence that the use of private insurance carriers would improve efficiency of the system is entirely on the other side.") The release adds that the insurance companies would make money writing supplementary policies to cover deductibles, coinsurance and uncovered costs. In fact, with rising costs, insurance companies have been making very little, and often losing, on group insurance contracts.

Underlying the rejection of this Kennedy-Mills compromise is the political calculation that nothing will happen in this session as the Senate becomes preoccupied during the summer with the trial of the President. Next year, it is assumed, a much more liberal and Democratic Congress can be persuaded to buy a far-reaching bill with radical changes in the health delivery system. Why lock the system into anything less, these interests argue, when one can only pass such a bill once.

FIVE NEW FAS SPONSORS NAMED

In March, FAS added to its list of Sponsors three eminent doctors, one psychiatrist and one mathematician. Dr. Paul B. Beeson, former Chairman of the Department of Internal Medicine at Yale; Dr. Franklin A. Neva, Chief of the Laboratory on Parasitic Diseases at the National Institute on Allergy and Infectious Diseases; Dr. Myron E. Wegman, Dean and Professor of Public Health at the University of Michigan School of Public Health; Dr. Roy Menninger, President of the Menninger Foundation; and Max Palevsky, President of Scientific Data Systems.

FAS

Chairman: PHILIP MORRISON

Vice Chairman: CHRISTIAN B. ANFINSEN*

Secretary: HERBERT SCOVILLE, JR.

Treasurer: HERBERT F. YORK

Director: JEREMY J. STONE

The Federation of American Scientists is a unique, nonprofit, civic organization, licensed to lobby in the public interest, and composed of natural and social scientists and engineers who are concerned with problems of science and society. Democratically organized with an elected National Council of 26 members, FAS was first organized in 1946 as the Federation of Atomic Scientists and has functioned as a conscience of the scientific community for more than a quarter century.

SPONSORS (partial list)

Julius Axelrod (Biochemistry) *Kenneth J. Arrow (Economics)
Leona Baumgartner (Pub. Health)
Paul Beeson (Medicine)

Leona Baumgartner (Pub. Health)
Paul Beeson (Medicine)
*Hans A. Bethe (Physics)
*Konrad Bloch (Chemistry)
*Norman E. Borlaug (Wheat)
Anne Pitts Carter (Economics)
*Owen Chamberlain (Physics)
*Carl F. Cori (Biochemistry)
Paul B. Cornely (Medicine)
*André Cournand (Medicine)
*André Cournand (Medicine)
*Max Delbruck (Biology)
Paul R. Ehrlich (Biology)
Paul R. Ehrlich (Biology)
Paul R. Ehrlich (Biology)
John Kenneth Galbraith (Econ.)
Richard L. Garwin (Physics)
*Donald A. Glaser (Physics-Biol.)
*H. K. Hartline (Physiclogy)
*Alfred D. Hershey (Biology)
*Alfred D. Hershey (Biology)
*Andre Kac (Mathematics)
George B. Kistiakowsky (Chem.)
*Arthur Kornberg (Biochemistry)
*Polykarp Kusch (Physics)
*Waisis E. Lamb, Jr. (Physics)
*Wassily W. Leontief (Economics)
*NATIONAL COUNCI

(partial list)

*S. E. Luria (Biology)
Roy Menninger (Psychiatry)
Robert Merton (Sociology)
Matthew S. Meselson (Biology)
Neal E. Miller (Psychology)
Karl F. Meyer (Medicine)
Hans J. Morgenthau (Pol. Science)
Marston Morse (Mathematics)

*Robert S. Mulliken (Chemistry)
Franklin A. Neva (Medicine)

*Marshall Nirenberg (Biochem.)
Charles E. Osgood (Psychology)
Max Palevsky (Mathematics)

*Linus Pauling (Chemistry)
George Polya (Mathematics)

*J. Robert Schrieffer (Physics)

*Julian Schwinger (Physics)

*Julian Schwinger (Physics)

*Julian Schwinger (Physics)

*William H. Stein (Chemistry)

*Bedward L. Tatum (Biochem.)

*Edward L. Tatum (Biochem.)

*Edward L. Tatum (Biochemistry)
James Tobin (Economics)

*Charles H. Townes (Physics)

*Harold C. Urey (Chemistry)

*George Wald (Biology)
Myron E. Wegman (Medicine)
Jerome B. Wiesner (Engineering)
C. S. Wu (Physics)

NATIONAL COUNCIL MEMBERS (elected)

NATIONAL COUNCIL MEMB
David Baltimore (Microbiology)
Harrison Brown (Geochemistry)
Harrison Brown (George
Harrison Drell (Physics)
Morton H. Halperin (Pol. Science)
Hardin (Human Ecology)
Denis Hayes (Environ. Policy)
Pranklin A. Long (Chemistry)
Franklin Batry M. Casper (Physics)
Franklin A. Long (Chemistry)
Franklin A. Long (Chemistry)
Franklin Batry M. Casper (Physics)
Franklin A. Long (Chemistry)
Franklin A. Lo

John R. Platt (Physics)
John R. Platt (Physics)
Joel Primack (Physics)
George W. Rathjens (Pol. Science)
Marc J. Roberts (Economics)
Leonard S. Rodberg (Physics)
Joseph L. Sax (Environment)
Herbert Scoville, Jr. (Defense Pol.)
Eugene B. Skolnikoff (Pol. Sci.) Vigdor Teplitz (Physics)
Victor Weisskopf (Physics)
Herbert F. York (Physics)
Quentin D. Young (Medicine)

The FAS Public Interest Report is published monthly except July and August at 203 C Street NE, Washington, D.C. 20002. Annual subscription \$15/year. (However, please note that members of FAS receive the FAS Professional Bulletin and the FAS Public Interest Report as well as other membership benefits for a \$15 annual fee.) Second class postage paid at Washington, D.C.

DETENTE, from page 1

not actually been rehabilitated for the crimes for which he served in the camps.

The efforts to suppress Solzenhitsyn were characteristically underhanded, petty, comprehensive and anonymous. Articles were inspired to smear him. He was accused of the sin of pride for signing his name without initial. The usual charge was made that he was really a Jew. Invitations to speak even to small groups were canceled systematically at the last minute on orders from unknown higher-ups.

The Writers Union is so craven as to permit all of the speeches at its Congress to be censored; speakers are warned not to depart from the texts. It is so vengeful that a single brave writer who abstained from a prearranged decision to throw Solzenhitsyn out promptly lost his job. And its manipulators are so guilt-ridden that they censored the medical diagnosis of Tvardovsky so that no one could connect his thrombosis with their earlier action in removing him as editor of *Novy Mir*. The societal sickness in the Soviet Union is almost beyond belief.

The press has noted the decision to refuse Solzhenitsyn the awarding of his Nobel Prize at a ceremony inside the Soviet Union. (He feared losing his citizenship if he left.) But Dr. Medvedev decodes in this book, for the first time, how Novesty Press Agency, the KGB, and unique individuals like Victor Louis, engage in a variety of small maneuvers to pre-empt foreign copyrights. They provide the Soviet press with pre-packed "foreign" articles to quote—articles that are, in actuality, drafted inside the Soviet Union. Using exceedingly obscure journals in the West, they are thus able to plant slanderous charges which can then be quoted with lessened responsibility by Soviet publications.

There are a number of wonderful insights in this book into Soviet anxieties, For example, censored material in the Soviet Union is treated with the technology we reserve here for top secret documents. When the censors reversed their decision on some war memoirs, 80,000 already printed copies of *Novy Mir* were first preshredded lest they be hijacked en route to the pulp mill which then shreds them more completely.

The style of this book is pure Medvedev. It is lucid and factual. It reflects the diligent Sherlock Holmes quality of a natural scientist taking observations on a bizarre political science process. Written in evident homage to Alexander Solzhenitsyn, it is more than a tribute. It represents the leading case study in the struggle of Soviet literature to be free.

NEW STRATEGIC POLICY CONTINUES TO UNFOLD

Since the March Report, the Secretary of Defense has addressed strategic policies in: (1) the Annual Posture Statement; (2) a top secret hearing before the Senate Foreign Relations Committee (later declassified); and (3) an open session before two Senate subcommittees. There is also rumored to be a State of the World Message due which will further treat strategic issues.

The Secretary is emphasizing that the adjustment in strategic policy "does not imply major new strategic weapon systems and expenditures" (1 above). Here he is evidently referring to questions of targeting which he emphasizes reflect a change in "targeting doctrine" rather than "retargeting". The point he wants to make is that we have been targeting the military targets but not emphasizing in doctrine the possibility of firing at them selectively. The Secretary feels that "nobody at the political level from 1961-1971 has put the energy [sic] behind developing the doctrine and the plans" (2).

Another part of the strategic policy will require new weapons, however; this is the new emphasis on the political significance of our weapons. The Posture Statement emphasizes especially the political perceptions of third parties:

"There is also an important relationship between the political behavior of many leaders of other nations and what they perceive the strategic nuclear balance to be. . . . Hence to the degree that we wish to influence the perceptions of others, we must take appropriate steps (by their lights) in the design of the strategic forces."

This concern with third party perceptions appears in (2) where the Secretary notes that European reaction to his

change in targeting doctrine was "uniformly welcoming, even joyous", because he alleged they recognized that it meant the deterrent was still usable with limited rather than massive retaliation.

The key unresolved question continues to be the emphasis upon higher accuracy for U.S. missiles and the rationale for it.

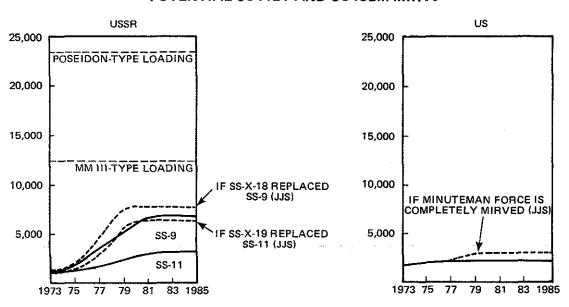
The political rationale sometimes offered is "essential equivalence." If the Soviets have the capacity to attack our land-based missiles by 1980, we should have the capacity to strike theirs; this would take high accuracy. But this political rationale is very thin strategically since the answer is of the form: "If you don't get me first, I have the capacity to get you later". After all, if they carried out their threat, their holes would be empty and our missiles would be destroyed!

Strategically, high accuracy is unnecessary for very limited attacks by a few missiles and inadequate for a disarming attack (since the Soviet Union has submarines). What use might it have in real Pentagon scenarios?

Asked by Senator Fulbright what circumstances he might envisage for limited selective nuclear use, Secretary Schlesinger mentioned only the possibility of Europe being overrun and said: "It is very hard for me, Senator, to think of other circumstances in which the advantages involved in the use of nuclear weapons could in any way be commensurate with the risks". Therefore, one must focus, presumably, on this scenario and on American, rather than Soviet, first use.

There is one possibility associated with this scenario which requires large, but not total, missile firings. This

POTENTIAL SOVIET AND US ICBM MIRVs*



*THE GRAPHS ON PAGES 4 AND 5 ARE DECLASSIFIED FROM MARCH 4 TESTIMONY BY THE SECRETARY OF DEFENSE BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE.

would be attacks on Soviet IRBM's and MRBM's and medium range bomber bases during a war in Europe. The pre-emptive American attacks—which would necessarily be upon Soviet soil—would be designed to prevent a Soviet pre-emption upon the 250 some installations in Western Europe. Significantly, the Secretary gave "IR-BM sites" as the prime example of the need for hard target capability (2).

The problems seen by the Secretary concern the possible replacement of the SS-11 by the SS-X-19 which will increase Soviet throw weight by two or three times. From his point of view, the Soviet program has thus become "potentially the pacing item in what is referred to as the arms race."

SALT Talks

The Administration now sees motivation for limiting MIRV fearing that, in due course, the Soviets are now going to have more and larger MIRVs than we. It is putting aside many of the older verification objections to a MIRV test. Now the problem is getting the Russians to agree.

The Administration method of the moment is to limit payload capability of land-based missiles, especially of the larger ones. The Soviet response seems to have been one of arguing for a limit on numbers of MIRV warheads.

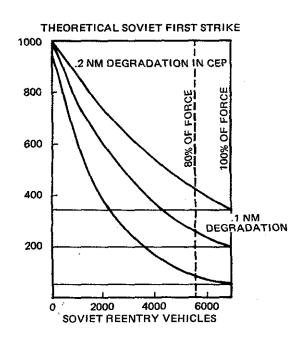
Ultimately, however, there is no way of avoiding the fact that (a) accuracy cannot be controlled; (b) accuracy can substitute for payload or size of warhead; and (c) in particular, with sufficient accuracy, even identical and equal sized land-based missile forces could annihilate the other depending upon who strikes first. Thus there is no solution in SALT, in the long run, to the land-based missile vulnerability problem.

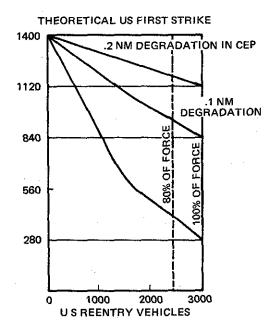
What are the implications of this fact? If the Defense Department wants to do so, it can probably undermine the SALT treaty. It can return to talking about the vulnerability of land-based missiles and suggest that only an ABM can protect them. Site defense ABM can then be the wedge that provokes withdrawal from the treaty. (City-defense ABM against Soviet attack would, presumably, look worse every year as the Soviets got more and more warheads. But Chinese ICBM's might—with a turnaround of Sino-American relations—be another source of ABM momentum.)

Meanwhile, quite apart from the ABM treaty, the interim agreement which fixes the number and location of missiles on each side, is very much at risk. As each side gets the capability to destroy the other side's land-based missiles, the excuse for withdrawing from the interim agreement gets stronger.

The SALT II talks are influenced, naturally, by these considerations. There are really three SALT possibilities. One, getting rid of the land-based missiles on each side, was adopted by FAS. A second approach, presumably carried to Moscow by Secretary Kissinger, was to limit the warhead carrying capability in an effort to stabilize the problem. This can solve the problem at best only in the near term, since as accuracy increases the problem reappears. The third possibility is an overall agreement on numbers of land missiles, sea-based missiles, and bombers with freedom to mix by moving the land missiles to sea. This tries to paper over the problem of limiting arms expenditures since mixing and modernization are all that anyone really has in mind anyway. But it seizes opportunistically on the fact that overall numbers are largely equal now—if bombers are counted where the U.S. has

HYPOTHETICAL RECIPROCAL COUNTERSILO CAPABILITIES: SOVIET UNION & US ICBMs





an edge. And it vents the pressures resulting from land-based missile vulnerability by permitting their movement to sea.

The fundamental problem underlying analysis of U.S. SALT positions is their dependence upon inherently political decisions masquerading as military ones. The threat to land-based missiles is a good example. The specter of this threat is essentially military, but the decisions to raise it, and the solutions posed for it, are surprisingly political. Another Administration might have ignored the survivability problem for a number of years more and, depending upon future developments, might never have raised it.

Administration Has a Choice

Having raised it, the Administration can treat it as a military problem requiring military solution (e.g., move missiles to sea) or as a political problem requiring political solution (show allies we have the same capability with which to threaten the Russians). Since it is impossible for the outside (or even the inside) analyst to determine which line the Administration is going to take, projection of SALT solutions is hard indeed.

We are entering an era in which threats to our strategic forces are highly subjective in nature and many years off, and therefore hard to guage. How seriously they are taken will be an essentially political decision. In the light of this fact, it is hard to be too cynical about the course of weapons procurement. The strategic weapons acquisition process inspires the political system to take seriously such threats as are necessary to advance developing weapons systems (ABM, MIRV, Trident, higher accuracy or whatever).

Most recently, as this Report is being written, the Sec-

retary of State has suggested that no comprehensive agreement is in the cards this year. It is probably just as well. These matters are too dependent upon political decisions to be made by an Administration under the greatest political attack of the last 100 years.

Official Candor

The Secretary has made a number of points that reflected a sensible approach to the arms race. The recent Soviet developments with four new rockets after the SALT I signing were not intended to "deceive us" but had reflected leadtime problems and had been started long in advance of the treaty.

He acknowledged a "large element of truth" in Senator Muskie's view that national strategies are an "accident of development"; in particular, the Russians had followed up large missiles developed long ago and tried to make the best possible use of that capability.

He noted that he had not agreed with Secretary Laird in 1969 that the SS-9 was a Minuteman killer or that the United States had been facing a "Soviet first-strike capability." He also admitted, as former DDRE Chief John Foster had never been willing to do, that MIRV was not necessary in the absence of Soviet ABM deployment.* (The admission is, of course, somewhat academic since the U.S. MIRV is now deployed.) The Secretary conceded that "the rationale of the Triad was a rationalization". And he noted that "we now have greater operational counterforce capabilities than they have."

He also pointed out that it would cost the Soviet Union about \$30 billion to retrofit the SS-11 with the SS-19 and \$12-\$15 billion to replace the SS-9 with the SS-X-18. Thus there is financial reason to think that these threats might not arise.

^{*}DoD now claims testimony record was in error. (Added in press.)

WORLD FOOD RESERVES

The September Report recommended, among other things, that the United States take the lead in encouraging a system of stable food reserves. The November Report suggested that the Department of Agriculture was ill-prepared for scarcity and had not given the possibility of scarcity sufficient consideration. What has happened since these analyses?

Immediately after the November issue, the Food and Agricultural Organization (FAO) had a Conference in Rome. The participants were somewhat nervous about the general food situation. 1972 had seen the first drop in agricultural production since World War II. And while 1973 was showing a recovery from the bad weather of the year before, there was no sign of a diminution in high food prices. These prices had been increased not only by drought, but by inflation, higher storage and transportation costs, currency changes and speculation. The result was that a 15% increase in world export trade meant only a 7% increase in real terms. The famine in the African Sahel was showing no signs of abatement. Expected rains had failed in September and October.

FAO had before it in Rome a plan presented by its Director-General for a world food security policy. This plan did not call for an "international" food reserve so much as it called upon member governments to hold national reserves stocks which, in combination, would provide a minimum safe level of basic food stocks. The extent of each national reserve would be determined through consultation and in accordance with various guidelines. The FAO Conference endorsed the general principles of the world food security policy and referred it to a working party.

U.S. Policy Unclear at Best

U.S. policy toward this plan is in the process of formation; we say we support it in principle. But a closer examination suggests otherwise. The specific principles we support are these: first, there should be a buildup of reserves worldwide; second, there should be coordination of some kind among the reserve holding countries; third, the method for holding the reserves should be flexible in that no particular method is forced on any country. The United States does envisage "targets" for reserves that should be held—world commodity levels so to speak.

One large catch is that the United States is not supporting a national reserve for itself. Basically the Secretary of Agriculture shares a common view in the Agriculture Department that there is no way to hold reserves without their becoming a price depressant. He is not about to support methods that depress prices. Thus, on March 21, Secretary Butz said: "government-managed reserves are not consistent with an incentive economy sitalics in original] . . . they restrict farmers' freedom and would leave farmers permanently at the mercy of politicians oriented to cheap food." A fortiori, there has been no thought to how the reserves would be allocated except, of course, through the market. "I would urge extreme caution before we write into food reserve legislation any export restrictions . . . We can't afford to risk driving our customers to other sources of supply" [italics in original].

SECRETARY BUTZ ON WORLD FOOD RESERVES: LET THEM EAT INFORMATION

"Some people propose an international system of stock accumulation, ownership, and control as the answer. A better way, the one which I favor, is through an international sharing of production, supply, and stock information—to assess surplus and deficit situations, and to furnish guidelines for nations to follow as they develop their own courses of action. The actual management of food reserves would be under the jurisdiction of each individual country. Even buying nations would retain the responsibility for maintaining much of their own reserves."

—March 21, 1974 to the Senate Committee on Agriculture and Forestry

The Department is investigating the possibility that private enterprise might hold sufficiently large stocks to play the necessary role without Government intervention. It seems a forlorn hope. At present there are no market incentives for private parties to finance acquiring and storing reserves. And such storage might involve a few years. Thus, in our effort to avoid resuming our role as stockholder for the world, we are planning not to be a stockholder at all, while supporting "in principle" a world-wide system of reserve stocks!

In his April 15 speech to the United Nations, Secretary of State Kissinger said, "We are prepared to join with other governments in a major worldwide effort to rebuild food reserves." But this does not indicate that we are prepared to hold a sizeable portion of those reserves ourselves.

In November, in Rome, there will be a World Food Conference proposed by Secretary of State Kissinger. World food reserves will be on the agenda. The United States seems to be preparing, however, to discuss ways and means of helping other countries keep reserves using our technical aid and/or financing. One cannot help feeling that policy, at the moment, is "let others do it."

The policy is a foolish one. As a National Planning Association Report (Feast or Famine, Willard W. Cochrane) noted, the United States tends to be at the crack end of the whip with regard to domestic farm and food prices in the absence of production controls, import-export controls and reserve stocks. Reserve stocks could be a balancing wheel helping prevent enormous rapid shifts in the prices that farmers receive and consumers pay. They would make America a more reliable export partner and encourage trade liberalization. In turn, this would help the balance of payments and the strength of the dollar. Especially important, these reserves can save lives in developing countries if famine strikes. And they can be a useful tool in American foreign policy as when we have reserves and the Soviets do not.

LAW OF THE SEA CONFERENCE

In April 1973, FAS opposed a bill, S.1134, whose purpose was to spur ocean bottom mining for minerals through licensing and guarantees. The bill had been drafted by the American Mining Congress in the hopes of preempting a U.N. Law of the Sea Conference which would have decided, among other things, who owned these minerals and how they were to be exploited.

On July 9, a Senate Resolution sponsored by Senator Claiborne Pell (D., R. I.) and Senator Clifford Case (R., N.J.) was passed by voice vote. It endorsed the objectives of the President's May 1970 ocean policy statement, including protection of freedom of the high seas (beyond 12 miles) for navigation, communication, scientific research and free transit through and over international straits.

It called for recognition of these international community rights: protection from ocean pollution; assurance of the integrity of investments; substantial sharing of revenues derived from exploitation of the seabeds, particularly for the benefit of developing countries; and compulsory settlement of disputes. The resolution endorsed the notion of an effective International Seabed Authority to regulate development of the mineral resources.

The resolution has strengthened the hand of opponents of the mineral mining bill. In the State Department, especially, it is a Congressional expression of opinion that provides justification for waiting for the U.N. Conference to reach its conclusions.

Agreement Expected by 1976

The Law of the Sea Conference had always been scheduled to reach agreement at least by the end of 1975. Should it reach agreement, mining could take place immediately since the treaty provides for provisional agreement without waiting for ratification. Mining preparations are taking place now. Hughes has a boat in the Pacific already and development of the necessary technology is on going in other places as well. Kennicott Copper has taken a 50% interest in a consortium to develop the capability for mineral mining.

In March, hearings were held in both the Senate and the House on a new version of S. 1134. This bill, H.R. 12233, proposes to give first-come first-served ten year licenses in advance of the conclusion of the U.N. Treaty. The licenses are really ten year options; and, if mining begins during the ten year period, it can be continued for twenty years thereafter. The United States would be bound by the bill to try to maintain the rights of licensees under any new treaty; failing that, the U.S. would be obligated to compensate the licensee for the value of the investment lost or impaired.

Since the Congress can easily wait two years to see what happens, the idea of issuing licenses now—to take effect in January, 1976—in case the Law of the Sea Conference fails, is patently absurd. The mining companies could mine now if they were ready to do so—which they are not. And the United States would pointlessly incur the responsibility for compensation. This is not to speak of the problems of upsetting the U.N. Conference.

The bill is slightly less greedy than the one introduced

by Senator Metcalf earlier, S. 1134. And it has dropped the notion of "reciprocating states" under which the developed countries would adopt parallel legislation affording their own companies licenses and freezing out developing countries who would not go along. These are improvements.

Senator Metcalf continues to play an extraordinary role in this affair. Visitors opposing the earlier bills were advised privately that he had introduced them only to expose the venality of the mining companies, and so on. A newspaper reporter was advised also, not for quotation, that the bill was "preposterous." Yet, in public, the Senator continued to hold hearings encouraging the legislation and clearly favored its backers.

The Senator is a highly political person, adept at striking poses. The April 1973 Newsletter gave an example of this; without mentioning him by name, it described his exaggerated response ("an effort to intimidate the U.S. Senate") on the Senate floor to comments of a Chilian U.N. delegate about S. 1134. Similarly, when the FAS Director submitted testimony urging full disclosure of financial links to mining companies by all associated with the bill, the Senator refused to permit the testimony to be presented, buried it in the record, and allowed as how his integrity had been challenged.

Fishing Rights are the Newest Problem

A more serious threat to the Law of the Sea Conference centers around fishing rights. A bill sponsored by Senator Warren Magnuson (D., Wash.) would extend U.S. jurisdiction over anadromous (inland and migrating) fish from 12 to 200 miles until general agreement was reached in international negotiations. Senator Magnuson, like many other Senators of coastal states, is under heavy pressure from constituents who depend upon fishing for their livelihood. These fishermen believe that coastal and migrating fish stocks are in danger of being depleted and that coastal states are best equipped to prevent it. They also want to protect their fishing grounds from foreign intrusion.

Unfortunately, the solution poses problems. Deep water fishermen, of tuna for example, are afraid that reciprocal seizure of fishing areas will exclude them. Enforcement of 200 mile limits would also provide problems. The international legal basis for the U.S. law is uncertain and could cause problems in a World Court case. Nor is even the 200 mile limit sufficient to cope with the distances fish travel. Indeed, the bill attempts to extend U.S. jurisdiction over migrating fish "wherever they may range in the ocean"; this could cause nothing but problems. Meanwhile, the bill represents still another unilateral threat to the possibility of multilateral agreement.

The best informed public interest group in Washington on these matters is Save Our Seas (SOS) under the leadership of former Justice Goldberg and, at the staff level, Samuel Levering. SOS notes that a 1958 Convention on Fishing and Conservation of Living Resources of the High Seas recognizes a right of coastal states to impose conservation measures unilaterally after 6 months of efforts at negotiation. In this way, the bill is shown to be unnecessary insofar as it seeks to enforce conservation.

MAXWELL TAYLOR ON STRATEGIC WEAPONS

The April Issue of Foreign Affairs contains an article "The Legitimate Claims of National Security" in which General Taylor makes these points; they are close indeed to FAS positions:

On the importance of missile numbers: "There is solid rebuttal for most of the arguments in support of the intrinsic importance of superiority in numbers of strategic weapons. As a hedge against the danger of a technological breakthrough, I would much prefer an aggressive research and development program to a further increment of obsolescent weapons."

On the usability of strategic superiority: "It has been claimed that our strategic superiority restrained Khrushchev in the course of the Cuba missile crisis, and in the end forced his capitulation. If so, I never sensed it at the time. Obviously, our strategic superiority did not deter him from initiating his rash venture in the first place."

On war-fighting capabilities versus deterrence only: "Having done everything possible to improve these (deterrent and survivability) aspects of the force, I would recommend abandoning all or most hedges against the failure of deterrence and applying the resources regained to more advantageous purposes."

On the size and structure of the deterrent force: "The strategic retaliatory force itself would consist of a few hundred strategic weapons, mostly submarine-launched ballistic missiles, exploiting the multiple warhead principle to increase the number of warheads as desired. In addition a small bomber force would be justified because of certain advantages which bombers have over missiles".

SENATOR NUNN ON NATO

A report by the newest addition to the Senate Armed Services Committee, Senator Sam Nunn of Georgia, provided candid insights into NATO problems and is well worth reading. Entitled "Policy, Troops and the NATO Alliance," it makes these points, among others:

On French unwillingness to coordinate: "Thus, as a practical matter, France by its policies reduces the possibility of a conventional defense, and significantly lowers the nuclear threshold by refusing to collaborate in advance for a strong conventional defense. . . . [and] French tactical nuclear weapons if used in the midst of a conventional engagement between NATO and Warsaw Pact Forces, could force the U.S. into a nuclear war."

On U.S. readiness to use nuclear weapons first: "Our plan to use factical nuclear weapons 'as soon as necessary' is heavily emphasized—but 'as late as possible' does not get enough emphasis. . . . The nuclear threshold is low because of the short time that NATO military commanders feel that they could fight conventionally, and because of the psychological reliance by Allied military and political leaders on a rapid American nuclear response. In a Warsaw Pact attack, the initial shock of conventional fighting, probably with some initial military setbacks, combined with the desire to insure a U.S. nuclear commitment, could result in enormous and possibly irresistable pressure to use nuclear weapons at the outset."

On NATO versus Warsaw Pact posture: "... [W]hen measured by available resources, NATO is closer to a conventional balance than previously thought.... The critical question is why does NATO have a parity in manpower but generate substantially less combat forces than the Warsaw Pact."

IF THE FIRST TWO NUMERALS ABOVE YOUR NAME ARE "73", PLEASE RENEW YOUR MEMBERSHIP OR SUBSCRIPTION FOR 1974 USING BLANK BELOW

FAS PUBLIC INTEREST REPORT (202) 546-3300 203 C Street, N.E., Washington, D. C. 20002 May 1974 Vol. 27, No. 5

☐ I wish to renew membership for calendar year 1974. ☐ I wish to join FAS and receive both newsletters as a full member. Enclosed is my check for 1974 calendar year dues. (☐ I am not a natural or social scientist, lawyer, doctor or engineer, but wish to become a non-voting associate member.) ☐ \$15 ☐ \$50 ☐ \$100 ☐ \$500 ☐ \$7.50 Member Supporting Patron Life Student or Retired ☐ Subscription only: I do not wish to become a member but would
like a subscription to: FAS Public Interest Report — \$15 for calendar year FAS Professional Bulletin — \$15 for calendar year Please note that members receive both newsletters and other benefits for \$15 dues. Enclosed is my tax deductible contribution of to the FAS Fund for its 1976 Development Campaign.
NAME AND TITLE Please Print ADDRESS
CITY AND STATE Zip PRIMARY PROFESSIONAL DISCIPLINE:

Second Class Postage
Paid at
Washington, D. C.

Return Postage Guaranteed