

Humphrey News Conference

Kittler: Mr. Vice President...

Humphrey: Thank you. Thank you very much. Thank you, Mr. Kittler, and members of the trade mission and Mr. Booth, Mrs. Maki, and members of the Minneapolis Chamber of Commerce.

I am present here today primarily to note the singular achievement of the Minneapolis Chamber of Commerce and, particularly, the World Trade Committee under the chairmanship of Mr. Kittler for being the first in the trade mission field to journey under the new government program and auspices both to the Soviet Union and to the eastern European countries. Mr. Kittler, as you have noted, other trade missions have journeyed to eastern European countries such as Poland, Yugoslavia, Rumania, Bulgaria, Hungary, but no American trade mission made up entirely of American free enterprises...the representatives of American business firms...has journeyed to the Soviet Union under the cooperative arrangement between government and business until this announcement. And once again the Upper Midwest, in this instance led by the Minneapolis Chamber of Commerce, will be first. I want to compliment you on that and to compliment you because I think that from the heartland of America will come the kind of steady course that we need to follow in our relationships with the eastern European countries...the Communist-Socialist Bloc as they are called...and the Soviet Union.

May I pay my respects, also, to Pan Am and Trans World Airlines. As you know, we have recently negotiated an arrangement, or an agreement, between the Soviet Union and the United States for intercontinental flights--the exchange of flights from Moscow to New York, where the Soviet official line, Aeroflot, and the United States, represented by Pan Am, will open commercial operations; hopefully, early this spring I believe. The date, as I recollect, is May, and I want to be sure that on that initial flight our representatives of this enterprising part of America, and I think that we will see that that is the case.

I have one or two other observations, if I may take a moment, to stress, first, the importance of trade. Now, let's face it, trade is going on between the eastern European countries, the Soviet Union, and western Europe in large amounts and we in the U.S. are under very heavy pressure these days in our balance of payments problem...and by balance of payments we merely mean that there has to be a balance between the outflow and the income. You cannot have more of your gold leaving the country than returns. We have heavy overseas expenditures in the field of foreign aid and national security, and we need to compensate for those expenditures in the expansion of trade. Now, it ought to be noted and I do so, I am sure, for the pleasure and the encouragement of our businessmen, that the eastern European countries are good credit risks; they pay their bills--they are very good at this. As a matter of fact, even during the darkest days of the period of the 1950s, I recollect, when I was a delegate to the United Nations in 1956 when the revolt was under way in Hungary, that, even then, the Hungarian regime was less than 30 days behind in its payments. They are very good on payment.

There are some problems, however, about credits and loans which inevitably come into being whenever there are substantial trade arrangements undertaken. And I do believe that it is important, not for this particular mission, but for our government, as I have indicated to the appropriate representatives of our government, to make sure that there isn't any competition between western European countries and the United States on credit and loan arrangements. There is a tendency on the part of the British and the French and the Italians, the Germans and others to ease the terms of credit in a competitive manner rather than to arrive at some multilateral agreement as to what the terms of credit might be. I don't want to see us get into a situation where we are overextending easy terms beyond what would be economically and politically prudent. But that's a matter of high policy which is now under review internationally.

I say the "importance of trade" not only because of the need of expanding our share of world trade but also because trade does build understanding, and this leads me to an auxiliary that I should note--a supplemental point. This trade is in non-strategic goods; we are not selling bombs or munitions--either way--the Soviet, as a matter of fact, only recently said to their own neighbors, to the eastern European countries, that they would not even make available Soviet technology unless the country, such as Poland and Hungary, paid for it...and they would do it under careful license then. So even the Soviet Union has taken what you might call precautionary steps in terms of non-strategic and strategic goods, so let me reassure the public that the 400 items that were recently added to what we call the General License List are items that other countries have been trading in for years--items that we should have been trading in--items, had we been trading in, would have long ago alleviated many of our economic problems that we suffered for so many years of unemployment and of inadequate growth. Fortunately, most of those problems are not with us now.

The other point I want to make is that eastern European countries and the Soviet Union need to see American businessmen. We are a special breed, and, I think, a good one. American business is oftentimes the subject of unfair criticism abroad and at home. I happen to be one that believes that American enterprise is much more enterprising than any of its competitors internationally. I also believe that the American businessman is much more socially conscious and politically and socially sensitive than his international or foreign competitor, and I truly believe that the best thing that can happen to our relationships in the world today, particularly with the eastern bloc countries--that is, eastern and central Europe and the Soviet Union--is for a large number of American businessmen to travel in that area to get acquainted, to know what's going on, to know the people, and have the opportunity for others to know our businessmen. We have had hundreds of diplomats in the eastern European area; we have sent our social workers; we have had our congressmen and senators, governors and legislators; we have sent cultural missions, our artists and our musicians; but we have been reluctant to send our businessmen who, I think, can do us a better job or as good a job as anyone, and I, personally, believe a better job--because essentially the European countries are industrially oriented; there is a tremendous demand now in eastern Europe for consumer goods, and it is to our national interest to see the growth of consumer goods production in eastern Europe. It is to our national interest to see eastern European countries including the Soviet Union expand their consumer industries and their consumer production imports, and I hope, therefore, that everyone will look upon this mission as a vital part of our national security, our national economic wellbeing...and all in the cause of peace.

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I can only add this: that many people think that peace comes for the wishing of it. There are even some that think it comes if you carry a sign. I happen to believe the scriptures...it said "blessed are the peacemakers". Not the "peace walkers", not the "peace paraders", not the "peace wishers", but the "peacemakers"...and you make peace by building it! You build most of the peace in the world through individual contacts, commercial arrangements, diplomatic arrangements that take a long time to build. We have been very slow in extending what I think is the real power of this nation--the power for good--its economic system abroad, or the product of its economic system. I now know that we are going to be doing that. That is why the President has said, and it is the official policy of this government...building bridges of understanding and trade with eastern Europe and the Soviet Union. We believe that this is a singularly important aspect of our national security and of the building of world peace.

So I want to congratulate all those involved; there is much more that one can say but I'm just so proud that Minneapolis, the Upper Midwest--not just Minneapolis because these firms, of course, come from areas that have their branches and even their home offices in other places, but I am so pleased that we are now advancing into the area of farm implements, farm machinery, food products, consumer goods; we will be in the area of drugs and all others that are needed for the general wellbeing of humanity. My congratulations, therefore, to each and every one on behalf of the government, and I think in this instance the Vice President can speak in behalf of the President, because the President has asked his officers of government including the Vice President to stress the importance, the strategic, basic importance of the expansion of trade with the eastern bloc countries of Europe and the Soviet Union. Only recently Mr. Katzenbach, the Undersecretary of State, was the major speaker at the National Association of Manufacturers stressing this very important endeavor which you are now entering upon. I want to wish you well, and may I assure the delegation that anything that the Vice President's office can do to make your journey more profitable and fruitful, helpful, such assistance will be readily extended. You have the full cooperation of the Department of Commerce, the Department of State, and our embassies, our commercial attaches that are abroad, but sometimes there are little wrinkles that have to be ironed out, and as Jerry Moore knows we like to iron out wrinkles whenever it is humanly possible.

Mr. Kittler, Mr. Hanson, my congratulations to you and to all the members here of the Minneapolis Chamber of Commerce, and to the members of industry that are going to be on this mission.

(applause)

Now, I gather that some of you may feel the Christmas spirit and want to ask a question or two. I want to make it quite clear, as I said to Mr. Hanson on the way coming down, that I always enjoy answering political questions, but I do not think this is the proper place. I will give you another interview on that if you want one later on sometime, but this is a very important endeavor undertaken by some fine, responsible, selfless and dedicated men and I don't want to muddy up the whole situation here now by getting involved in something else that doesn't relate to this program, so if you have questions on this subject let's try to take those first, hmmm?

Is the primary purpose of this mission economic or the lessening of international tension?

Those purposes are not contradictory; as a matter of fact, they are supplementary and complementary. Obviously the immediate purpose is economic but the followup, the dividend, from that purpose is, I think, building peace and understanding. And the only way that you can have good economic relations is in a climate of peace and understanding. You cannot have it in a climate of hostility so it isn't which comes first it's sort of comme ci, comme ca; you have to balance them off and I have tried to make it clear, I think, that the government has come to the conclusion, and I am happy to say one that I have urged for years, if I may just inject a personal note, to supplement and to complement our diplomacy by bringing in what I consider to be one of the best good will ambassadors that we have, as well as the outstanding exponent of modern economics now--the American businessman. And I don't know of any part of America that has a better group of businessmen than right here in the Upper Midwest where we have the change of the seasons that keeps you vital, vigorous, alert and active.

Is there any chance, Mr. Vice President, that any of these goods will make their way to North Viet Nam?

Well, I don't think so, but I doubt that a package of soybeans that is made available for a food additive, or feed, or some farm implements that are sorely needed in some parts of Europe will change the balance of power particularly. You know you can go around fighting yourself to death all the time, sort of like people that are worried always about accidents, and it's true that many of us will suffer accidents and I don't know any way to stop it because most of them are at home. There are always some possibilities, it is entirely possible, that a roll of adhesive tape or gauze bandages might find its way (this was the end of the tape and some words were lost, before the next tape was put on)..... in America to bring this struggle in Viet Nam to a peaceful conclusion with honor, and that is why we have sought to negotiate, and we have looked to, for example, countries such as Yugoslavia, Poland and others to use their good offices to bring that about. And I think one of the best ways to encourage them in that is through trade.

Mr. Vice President, will it be necessary for Congress to take some action before this commercial interchange with the Soviet bloc can be fully implemented to give them favored nation status?

Yes, for favored nation status, yes, but we have actually remedied that, as you know, with the instance of, I believe, Poland and Yugoslavia already, and I have the feeling that in light of the new attitude of American business and the most responsible journalists including also American finance and elements of labor that we won't have any trouble in this. But, as you know, the President has great discretionary powers under the War Powers Act and under the emergency powers of the Presidential office and under the matter of the control of commodities, I am trying to think of the particular strategic and non-strategic commodities, he has a great deal of discretionary power now to put these products under general license, as long as they are classified as non-strategic, and Congress has listed out pretty well what are the strategic items. But Congress will be needed to really have the major implementation. But, my goodness, we can go a long way down the road before any work needs to come from Congress... a long way. The thing you need to worry about Congress is that it doesn't put the brakes on what you're trying to do now, and I don't think it will. I have noticed one or two members of Congress still feel that it makes good news to say let's stop all trade with the Soviet bloc countries. Now, it makes news but it doesn't make sense, because you don't stop the French, and you don't stop the Germans, and you do not stop the Belgians, and the Dutch, and the Nor-

wegians, and the British, and the Luxembourgs, and the Italians, and the Greeks, and the Turks and others. They trade with them and all I can say is that they are our best allies and we are over there defending them and it looks kind of ridiculous to defend the people that are doing the trade with the eastern block if you're not going to have some understanding with them that you may engage in the trade too, or get them to stop it. One or the other. Now, they won't stop because they have a strange habit... they like to eat. And trade for the western European countries is "life or death". It's not a matter of, you know, of just luxury, but world trade is becoming a matter of serious concern for America too. Minnesota is one of the important export states of the fifty states, and our economy will prosper in this state evermore for the long term as you build world trade.

Anyone else?

Is there any plan to extend this ^{trade} trip to Communist China?

Not at this stage, sir, but may I suggest to you that the administration has said repeatedly that we seek to build these bridges of understanding with the Chinese mainland. We do feel that while many are encouraging open diplomatic recognition which this government does not endorse, and I want to make this clear, and we have not subscribed to Chinese Communist regime's membership in the United Nations on the basis that it now submits as its terms for entry into the United Nations. We have said, however, that we did feel and continue to feel that it would be in the interests of all the world to open up the doors to permit doctors, professional people, people in the arts, cultural activities to enter into Communist China to start the process of easing the tensions and ultimately, I am sure, that in some products that will mean trade. But that is as yet not the official policy of the government because of the hostility, the open hostility, of Communist China today and her open, constant denunciation of the U.S.A. and our efforts abroad, as well as at home.

I believe that's about it... I want to thank each and every one of you.

Thank you, Mr. Vice President.



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