

Through the address, which took an hour and 45 minutes to read, the United States promised developing nations that it would grant preferential import tariffs for their goods, especially tropical products.

The message concluded: "We can say once more to the new nations: 'We have heard your voices. We embrace your hopes. We will join your efforts. We commit ourselves to our common success.'"

The first reactions by delegates from influential developing countries such as Algeria, Iran and Yugoslavia were favorable. The Algerian chief delegate, Abdellatif Rahal, said he

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had found "many positive ideas" in the Kissinger message that required thorough study.

A representative of an industrialized nation, Ivor Richard of Britain, termed the Kissinger message "the meatiest speech made on economic development since the Marshall Plan."

The Secretary of State, noting that the United States was the world's largest food producer and exporter, said that its "policy is now one of maximum production." He said that the poorest countries too must raise their farming output, and pressed for the early establishment of a previously proposed international fund for agricultural development.

Year of Review Posed

Mr. Kissinger also suggested that 1976 "be dedicated as a year of review and reform of the entire United Nations development system."

While Mr. Kissinger showed that he took the complaints and criticisms of developing or third world countries seriously, he also did some talking back.

He warned third world countries not to make multinational corporations "objects of economic warfare," praising such companies as "powerful instruments of modernization," at the same time he said that they should obey local laws and "refrain from unlawful intervention in the domestic affairs of host countries."

Referring to the political strategy of the group of countries that call themselves non-aligned, the Secretary of State said that it was ironic "that a philosophy of nonalignment, designed to allow new nations to make their national choices free from the pressure of competing blocs, now has produced a bloc of its own."

At a foreign ministers' meeting in Lima, Peru, last week, the group of nonaligned grew to 82 members. In today's message, Mr. Kissinger observed that "nations with radically different economic interests and

with entirely different political concerns are combined in a kind of solidarity that often clearly sacrifices practical interests."

The Secretary of State added: "It is ironic also that the most devastating blow to economic development in this decade came not from 'imperialistic rapacity' but from an arbitrary, monopolistic price increase by the cartel of oil exporters."

Allusion to Embargo

Advocating fairness in international economics, Mr. Kissinger said that no country or group of countries should have exclusive power in areas basic to others, like oil, trade and finance. He insisted that "the world needs a system in which no nation developed or developing arbitrarily withholds or interferes with normal exports of materials," a clear allusion to the oil embargo proclaimed by the Arab producing countries in 1973.

In his remarks about international trade, Mr. Kissinger made a brief, cool reference to price indexing, the system sought by third world countries whereby the prices for raw materials would be linked to the cost of manufactured products that developing countries have to buy from the industrial nations.

A State Department official, asked for a comment on Mr.

Kissinger's remark on price-indexing, said that Washington was ready to discuss the proposed mechanism, "but it is not a proposal that the United States supports."

Rather, Mr. Kissinger said in his message, the United States "proposes to discuss new arrangements in individual commodities on a case-to-case basis." He said that consumer-producer forums should be set up for every key commodity, like grains or copper.

During the delivery of the message, some delegates drifted out for coffee, but the hall was again crowded when Mr. Moynihan ended, and he received long applause. Envoys from scores of nations crowded around him to congratulate him.

The Special Session, convened at the request of third world countries, is due to last until Sept. 12. It is to be followed by the 30th regular General Assembly, beginning Sept. 16.

Algeria's Foreign Minister, Abdelaziz Bouteflika, acted as a spokesman for the third world today when he was elected president of the Special Session. Mr. Bouteflika is the outgoing president of the General Assembly.

In his acceptance speech, Mr. Bouteflika, who has been sharply critical of the United States and other Western nations, sounded a conciliatory note. He said that the developing countries' defensive attitude "is not incompatible with the search for a dialogue."

The views of the European Economic Community were conveyed to the session by Italy's Foreign Minister, Mariano Rumor, who is now holding the chairmanship in the council of the nine-country group.

A proposal to negotiate a general agreement on trade between developed and developing countries was presented to the session by Brazil's External Relations Minister, Antonio Francisco Azereido da Silveira.

He said such an agreement should establish "new rules of the game for North-South trade." Most of the developing countries are in the southern half of the globe.

An economic analysis of the Kissinger message appears on Page 45.

INSTITUTIONS and Full Development Proposals  
Message to the U.N.  
By PAUL HOFMANN  
Special to The New York Times  
UNITED NATIONS, N. Y., Sept. 12 — The United States, responding to demands from developing countries for radical new ways to bridge the gap between them and the industrial nations, outlined here today a broad set of specific proposals for cooperation.  
The proposals, prepared by the Secretary of State Kissinger in consultations within the administration and with foreign Governments, were put forward at the opening of a special session of the General Assembly devoted to the problem of development and economic cooperation.  
Mr. Kissinger in the message to the East, the address containing the proposals was read by the chief American delegate, Daniel P. Moynihan. He said the Kissinger message was backed by President Ford.  
\$10-Billion in Capital  
The proposals include the following:  
The creation within the International Monetary Fund of a financing agency that would provide developing countries up to \$10 billion at the rate of \$1 billion or more a year to finance their development programs in the face of fluctuating demand for their export of raw materials.  
The establishment of an international investment center to help developing countries guard against major losses. The trust would be managed by the World Bank's International Finance Corporation.  
The creation of an international energy institute to spur energy development.  
The establishment of an international industrialization institute to aid developing countries with research on industrial technology.  
The establishment of an international center for the exchange of technological information.