

# Excerpts From Kissinger's Paris Talks

Special to The New York Times

PARIS, May 28—Following are excerpts from speeches delivered here by Secretary of State Kissinger before a ministerial meeting of the International Energy Agency yesterday and before the ministerial council of the Organization for Economic Cooperation and Development today:

## Before Energy Agency

Our objective must be to construct a world energy system capable of providing, on terms fair to all, the fuels needed to continue and extend the progress of our economies and our societies. The path that the members of this agency have chosen begins with consumer solidarity.

But a durable international system must ultimately encompass, and be built by, both the consumers and the producers of the world's energy.

It has become clear as a result of the April preparatory meeting that the dialogue between the producers and consumers will not progress unless it is broadened to include the general issue of the relationship between developing and developed countries.

We in the I.E.A. have no reason to recoil from a discussion of all the issues of concern to developing countries.

The United States is prepared to have the preparatory meeting reconvene in Paris in the same format as before. In order to carry its work forward, commissions should be created to deal with critical areas such as energy, problems of the most seriously affected nations and raw materials.

Each commission would review the range of issues under its heading: finance, investment, trade, production. The commissions could meet consecutively or simultaneously but without an arbitrary deadline for concluding their work.

## Supplement, Not Supplant

The commissions on raw materials and the problems of the most seriously affected nations would not supplant the already substantial work which is being done elsewhere. Rather they would monitor, supplement and orient that work and give it needed impetus.

Membership in these commissions should be limited if they are to be effective. We suggest that this be decided by objective criteria.

In energy, for example, countries exporting or importing more than a certain volume of energy in the world market should be members. On the commission dealing with the most seriously affected countries, those with the lowest per capita income would participate along with

traditional and new aid donors. The commission on commodities could include the principal exporters and importers of food and nonoil raw materials.

Goethe said that "the web of this world is woven of necessity and change." We stand at a point where those stands intertwine. We must not regard necessity as capricious nor leave change to chance. Necessity impels us to where we are but summons us to choose where we go.

Our interdependence will make us thrive together or decline together. We can drift, or we can decide. We have no excuse for failure.

## Before O.E.C.D. Council

Our first task is to rebuild confidence through decisive, coordinated and mutually supportive action to promote sustained expansion. We must recognize, especially in the short- and medium-term management of our economies, that the economic policies of one nation can have a profound impact on others. And the United States, because of the size and impact of its economy, has a particular obligation to recognize the magnitude of its responsibility.

The world's prosperity will depend primarily on the industrialized nations, since we account for 65 per cent of the world's output and 70 per cent of its trade. But our economic well-being depends on a structure of international cooperation in which the developing countries are and perceive themselves to be participants. The new problems of our era—insuring adequate supplies of food, energy and raw materials—require a world economy that accommodates the interests of developing as well as developed countries.

## Long-Term Solution

We in this organization all face the same challenge, and we must face it together. But it is evident that others must be ready to follow a similar course. Confrontation and cooperation cannot be carried on simultaneously. International meetings that exhaust themselves in self-indulgent rhetoric or self-righteous propaganda help no one and no cause.

It is time to end the theoretical debate over whether we are seeking a new order or improving the existing one. Let us deal in reality, not rhetoric. Let us address the practical common concerns of all the world's peoples with realism, maturity, mutual understanding and common sense. The United States welcomes a dialogue in that spirit. We will do all we can to make it succeed.

The global problems in

food are a central moral and political challenge.

A long-term solution to the food problem requires that:

① World food production capacity be greatly increased, especially in the developing countries, and

② An international system of grain reserves be created.

The United States is prepared to hold an important part of an agreed level of world reserves. If others join us, agreement on the outlines of a reserve system can be achieved before the end of the year.

A second area of increasing concern is commodities. The current system is marked by volatile prices, disruption of supplies, investment disputes and increasing hostility to the private capital investment which remains indispensable for the transfer of resources and management skills.

All nations share an interest in ending the friction which characterizes the issue of raw materials.

The United States offers the following suggestions:

First, we propose that new rules and procedures for access to markets and supplies be negotiated in the multilateral trade negotiations

now taking place in Geneva.

Second, we do not believe that exclusive producers' organizations are the best way to solve the commodity problem. In our view consumers and producers should jointly discuss their problems and possible remedial actions. We are prepared to do so. Specifically we are ready to discuss new arrangements for individual commodities on a case-by-case basis. We have already made proposals for a new international coffee agreement. We are ready to discuss other commodities as circumstances warrant.

Third, I have recently suggested that the World Bank increase its financing of resource investments and explore new ways of combining its financing with private management, skills, technology and capital.

Finally, for most less developed countries the key issue is the need for reliable long-term stability and growth in export earnings. Proposals have been made to review mechanisms for the stabilization of earnings, notably that of the I.M.F., to protect the developing countries against excessive fluctuations in their export income. We are prepared to join others in this effort.