

# TRIALOGUE

A BULLETIN OF AMERICAN-EUROPEAN-JAPANESE AFFAIRS

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No. 2

## \*\* ACTIVITIES OF THE TRILATERAL COMMISSION \*\*

At its first meeting held in Tokyo on October 21-23, the Executive Committee of the Trilateral Commission issued the following declaration outlining the organization's rationale and aims:

### Statement of Purposes

The Executive Committee of the Trilateral Commission, composed of private individuals coming from Japan, West Europe, and North America, met for the first time in Tokyo on October 21-23 and agreed on the following statement:

#### I.

1. Growing interdependence is a fact of life of the contemporary world. It transcends and influences national systems. It requires new and more intensive forms of international cooperation to realize its benefits and to counteract economic and political nationalism.
2. This interdependence, especially among Japan, Western Europe, and North America, generates new problems and frictions which endanger not only their well-being but affect adversely the other regions.
3. Although the risks of nuclear confrontation have diminished, world peace and security are still to be given a lasting basis. New problems have also emerged to heighten the vulnerability of our planet. Humanity is faced with serious risks to the global environment. At the same time shortages in world resources could breed new rivalries, and widening disparities in mankind's economic condition are a threat to world stability and an affront to social justice.
4. While it is important to develop greater cooperation among all the countries of the world, Japan, Western Europe, and North America, in view of their great weight in the world economy and their massive relations with one another, bear a special responsibility for developing effective cooperation, both in their own interests and in those of the rest of the world. They share a number of problems which, if not solved, could cause difficulties for all. They must make concerted efforts to deal with the challenges of interdependence they cannot manage separately. The aim must be effective cooperation beneficial to all countries, whatever their political systems or stage of development.

## II.

To be effective in meeting common problems, Japan, Western Europe, and North America will have to:

- (1) consult and cooperate more closely, on the basis of equality, to develop and carry out coordinated policies on matters affecting their common interests;
- (2) refrain from unilateral actions incompatible with their interdependence and from actions detrimental to other regions;
- (3) take advantage of existing international and regional organizations and further enhance their role.

Trilateral cooperation will be facilitated as greater unity is achieved in Europe through the progress of the European Community and as Europe and Japan develop closer relations.

## III.

It will be the purpose of the Trilateral Commission to generate the will to respond in common to the opportunities and challenges that we confront and to assume the responsibilities that we face.

The Commission will seek to promote among Japanese, West Europeans and North Americans the habit of working together on problems of mutual concern, to seek to obtain a shared understanding of these complex problems, and to devise and disseminate proposals of general benefit.

The cooperation we seek involves a sustained process of consultation and mutual education, with our countries coming closer together to meet common needs. To promote such cooperation, the Commission will undertake an extensive program of trilateral policy studies, and will cooperate with existing private institutions as appropriate.

The Commission hopes to play a creative role as a channel of free exchange of opinions with other countries and regions. Further progress of the developing countries and greater improvement of East-West relations will be a major concern.

The Committee also released the following communique at the conclusion of the Tokyo meetings:

Communique

The Executive Committee of the newly formed Trilateral Commission held its first meeting in Tokyo on October 21-23. It discussed the reports prepared by two trilateral task forces on political relations and on monetary affairs, and agreed on a statement of the Commission's purposes largely derived from the political report and the discussion thereon.

The Committee agreed that the report of the task force on monetary problems is an important contribution and urged members of the Commission and the broader public to consider its proposals. International monetary problems will be considered again by the Executive Committee in the light of the intervening developments.

To promote closer trilateral cooperation on matters of common concern, the Executive Committee considered a program of trilateral policy studies, with initial priority assigned to monetary problems, trade relations, the question of natural resources, the problems confronting the LDC's, and East-West relations. It also intends to commission a long-term study on changing values in our societies and their international implications. To carry out these studies the Trilateral Commission will bring together experts from the three areas who will consult closely with the members of the Commission. The resulting reports will be published in order to stimulate a wide public discussion, and may form the basis for specific policy proposals by the Commission.

The Committee will meet again in Brussels on June 23-25, 1974.

EXECUTIVE COMMITTEE MEETING -- The Executive Committee of the Trilateral Commission met in Tokyo from October 21 to October 23. Those in attendance included, for North America, Robert W. Bonner; Robert R. Bowie; Patrick E. Haggerty; Jean-Luc Pepin; Edwin O. Reischauer; David Rockefeller; Paul C. Warnke; and Marina Whitman; for Japan, Chujiro Fujino; Yukitaka Haraguchi; Kazushige Hirasawa; Yusuke Kashiwagi; Kiichi Miyazawa; Kinhide Mushakoji; Saburo Okita; and Ryuji Takeuchi; and for Europe, P. Nyboe Andersen; Georges Berthoin; Marc Eyskens; Otto Lambsdorff; John Loudon; Cesare Merlini; Alwin Münchmeyer; Myles Staunton; Otto Grieg Tidemand; Sir Kenneth Younger; and Sir Philip de Zulueta. Also present were the three regional Chairmen, Gerard C. Smith, Takeshi Watanabe, and Max Kohnstamm; the Director of the Commission, Dr. Zbigniew Brzezinski; Task Force rapporteurs Richard N. Cooper, Motoo Kaji, François Duchêne and Claudio Segré; and the three regional Secretaries, George S. Franklin, Tadashi Yamamoto and Wolfgang Hager.

The meeting began with a comprehensive briefing on the Japanese economic and political scene by Dr. Saburo Okita and Professor Shinkichi Eto. Dr. Okita, currently the President of the Overseas Economic Cooperation Fund, is an internationally known economist and a former head of the Japan Economic Research Center. Professor Eto, author of several major works on contemporary Japanese and Chinese politics, is a professor of international relations at Tokyo University.

The formal agenda of the meeting involved a discussion of the Political and Monetary Task Force reports, both of which were presented to the Executive Committee by their rapporteurs; a discussion of the Trilateral Policy Program submitted by Dr. Brzezinski; and a discussion and adoption of the Trilateral Statement of Purposes.

In addition, a plenary session, open to members of the press, was held, with the participation of most of the Japanese members of the Trilateral Commission. The principal address was made by Prime Minister Tanaka, and it was followed by additional statements by the three Chairmen.

Both the private and the open sessions were lively, with active participation by representatives from all three regions. This, in itself, was significant, since one of the purposes of the Trilateral Commission is to promote a livelier relationship between Japan and Europe. The discussions reflected an underlying consensus concerning the desirability of the Trilateral Commission's existence, though there were disagreements concerning its priorities and focus. The Japanese were inclined to lay primary emphasis on longer range topics, at least in the early stages of the Commission's work, while the North Americans and Europeans wanted to deal promptly with the more controversial issues as well. To accommodate the varying emphases, the Executive Committee

adopted a program which will focus both on some of the more immediate problems of major importance, such as trade, the international implications of the energy crisis, and trilateral policy towards the LDC's, and on longer-range and more basic issues, such as the implications of changes of values in the advanced societies both for themselves and for the international system as a whole.

There was also a spirited debate concerning the adoption of the Statement of Purposes. A preliminary draft based on the political report was altered as participants from all three regions submitted amendments. These amendments were incorporated in a final draft prepared by a trilateral drafting committee and subsequently adopted by those in attendance at the Executive Committee meeting.

Finally, the Executive Committee released for public consumption both the political and monetary reports, commending the rapporteurs for their significant contribution. As was noted in the Communiqué, the Executive Committee hopes to return again to a consideration of the monetary problem in the light of further circumstances. In the meantime, both reports will be published and disseminated within the countries of the three regions.

The Tokyo meeting received wide press coverage, with articles appearing in The New York Times, The Japan Times and other major journals. The following item appeared in The Washington Post on October 24.

## 3-Cornered Commission Opens World Parley

By Don Oberdorfer  
Washington Post Foreign Service

TOKYO, Oct. 23.—Non-governmental leaders from the United States, Europe and Japan appealed here today for three-sided cooperation among the major industrial grouping to cope with a world in which American power is losing its position of dominance.

The occasion was the founding of the Trilateral Commission, 180 businessmen, political scientists and their leaders described today as "the leading citizens of their continents." The idea for the three-cornered commission was attributed to U.S. banker David Rockefeller who expressed hope that the new forum will help the major industrial nations acquire the habit of working together rather than at cross purposes.

The initial public session, held in the conference hall of Japan's big business confederation, Keidanren, featured statements of high purpose and ambitious goals from the commission's leaders and expressions of caution and reserve by some of the Japanese members.

The outspoken Japanese expressed a fear that the proposed three-cornered leadership could give rise to resentment and suspicion from Communist powers and from poorer nations in the non-Communist world.

These Japanese delegates called for extreme caution in public statements by the new commission, and one of them proposed unsuccessfully that a political task force study on the world political crisis be withheld from publication to avoid controversy.

Among other things, the report declared that confusion about fundamental changes in the relations between nations was a major cause of two world wars within this century and presents a great challenge to the stability and well-being of the world today.

The United States, Western Europe and Japan nearly two-thirds of the an-

nual output of the entire world and thus "the problems of money, trade, invest-

ment, resources and peace cannot be be creatively tackled unless they cooperate," the report said

In a statement of purpose, the 34-member executive committee of the trilateral commission called upon their governments to cooperate more closely and "to refrain from unilateral actions incompatible with their interdependence and from actions detrimental to other regions."

Among the harmful unilateral actions mentioned in discussion today was the recent United States embargo on soybeans and other agricultural commodities. Shortages of world resources, including food and petroleum, could breed new rivalries and cause widening disparities which are a threat to world stability and an affront to social justice, the policy statement declared.

Former U.S. arms control negotiator Gerard C. Smith, chairman of the North American delegation of the new commission, said the United States might find in the trilateral relationship a

means of retracting from its dominant role in the world since World War II. Smith and other expressed a lack of confidence in the "universal" approach of the United Nations as a problem-solving device, but saw hope for gains through the proposed three-sided dialogue of major economic powers.

Max Kohnstamm of the Netherlands, chairman of the Western Europe delegation, declared that unless there is some common purpose among the three corners of the proposed trilateral alliance, no progress can be made toward solutions of many major problems facing the world. Kohnstamm welcomed the new commission as a step toward "a fruitful dialogue" which can deal with international conditions on a realistic basis.

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MEETING OF THE NORTH AMERICAN COMMISSION -- The North American Commission held its first meeting in New York on October 15 and 16. A group of more than fifty Commissioners and guests attended a dinner meeting on the first evening. In his welcoming speech, Gerard C. Smith, Chairman of the North American Commission, emphasized the timeliness of a concerted approach to common problems on the part of Europe, Japan and North America. After describing some of the inevitable pitfalls to be anticipated in a serious effort at trilateral collaboration, such as the effects of European disunity and the danger of appearing to be a "rich man's club," Mr. Smith expressed his conviction that initial obstacles will be overcome and that the Trilateral Commission will make a positive imprint on our times. Following the Chairman's talk, David Rockefeller spoke of the considerations that prompted him to propose the creation of the Trilateral Commission. He noted that private citizens are often able to act with greater flexibility than governments in the search for new and better forms of international cooperation. Jean-Luc Pepin next spoke on behalf of the Canadian members of the Commission. He offered personal assurances of Canada's enthusiasm for the Commission's endeavors, and placed special stress on the important educative role which the organization is particularly suited to play in molding both public and governmental opinion. The evening's final speaker was Dr. Zbigniew Brzezinski, who pointed to recent changes in the international scene as providing the Trilateral Commission's underlying rationale. He proceeded to outline how the Commission's policy research program will translate the needs of

the contemporary world into specific policy recommendations in a variety of issue areas.

The next morning, the Commissioners gathered to discuss the report of the trilateral Political Task Force in preparation for submission of the document to the Executive Committee in Tokyo on October 22. In his summary of the report's main themes, Henry Owen, North American rapporteur of the Task Force, called attention to the current inadequacy of post-war efforts at international cooperation and observed that trilateralism offers greater promise of success than either bilateralism or universalism. The report, he said, advocates trilateral collaboration on an ad hoc basis as a prerequisite for broader international efforts involving the other nations of the world. The ensuing discussion was remarkably animated in view of the large number of individuals present. Nearly all those in attendance made a contribution, and vigorous exchanges developed over such questions as the need for further study of multinational corporations in the trilateral relationship, the importance of trilateral approaches to LDC's and to the East-West dialogue, and the desirability of closely defining the Trilateral Commission's aims in relation to those of the United Nations.

Later in the day, the Commissioners met to consider the Monetary Task Force report. Richard N. Cooper, North American rapporteur of the Task Force, summarized the report and highlighted its chief recommendations. He stated that, although certain aspects of the report remain weak owing to the inability of the rapporteurs to arrive at a consensus (notably with respect to the adjustment process), the report goes beyond the current impasse in the IMF Committee of Twenty on a number of points. Notably, it breaks new ground in its proposal that central banks should be allowed to sell gold in the open market and divert the resulting capital gain to the LDC's. The lively discussion that followed focused not only on this suggestion but on a wide variety of related topics as well, such as the report's proposal for a newly defined SDR (to be renamed 'bancor'). By the time the three-hour session adjourned, the Commissioners had discussed many of the major problems to be addressed in a renovated world monetary system.

Those attending the October 15-16 meeting are listed as follows:

- Graham Allison, Professor of Politics, Harvard University
- Doris Anderson, Editor, Chatelaine Magazine
- John B. Anderson, House of Representatives
- George W. Ball, Senior Partner, Lehman Brothers
- Lucy Wilson Benson, President, League of Women Voters of the United States
- Robert W. Bonner, Executive Vice President, MacMillan Bloedel Ltd.
- Robert R. Bowie, Clarence Dillon Professor of International Affairs, Harvard University
- Harold Brown, President, California Institute of Technology
- \*\*Zbigniew Brzezinski, Director, The Trilateral Commission
- James E. Carter, Jr., Governor of Georgia
- Warren Christopher, Partner, O'Melveny & Myers
- William T. Coleman, Senior Partner, Dilworth, Paxson, Kalish, Levy & Coleman
- Barber B. Conable, Jr., House of Representatives
- Richard N. Cooper, Provost and Frank Altschul Professor of International Economics,  
Yale University
- John C. Culver, House of Representatives
- Lloyd N. Cutler, Partner, Wilmer, Cutler & Pickering
- Archie K. Davis, Chairman, Wachovia Bank & Trust Co.
- Emmett Dedmon, Vice President and Editorial Director, Field Enterprises, Inc.
- Peter Dobell, Director, Parliamentary Center for Foreign Affairs
- Hedley Donovan, Editor-in-Chief, Time, Inc.
- Daniel J. Evans, Governor of Washington
- \*\*George S. Franklin, North American Secretary, The Trilateral Commission
- \*James Greenfield, Foreign News Editor, The New York Times
- Patrick Haggerty, Chairman, Texas Instruments
- Alan Hockin, Executive Vice President, Toronto Dominion Bank

Gordon Fairweather, Member of Parliament  
 \*Marshall Hornblower, Partner, Wilmer, Cutler & Pickering  
 Thomas L. Hughes, President, Carnegie Endowment for International Peace  
 \*Joseph Kraft, Columnist  
 Bruce K. MacLaury, President, Federal Reserve Bank of Minneapolis  
 \*William Moody, Rockefeller Brothers Fund  
 Lee L. Morgan, President, Caterpillar Tractor Co.  
 J.R. Murray, Former Managing Director, Hudson's Bay Company  
 Kenneth D. Naden, Executive Vice President, National Council of Farmer Cooperatives  
 Henry D. Owen, Director, Foreign Policy Studies, The Brookings Institution  
 Jean Luc Pepin, President, Interimco Ltd.  
 John H. Perkins, President, Continental Illinois National Bank & Trust Co.  
 Peter G. Peterson, Chairman, Lehman Brothers  
 Charles W. Robinson, President, Marcona Corporation  
 David Rockefeller, Chairman, Chase Manhattan Bank  
 Robert V. Roosa, Partner, Brown Brothers Harriman & Co.  
 William M. Roth, Roth Properties  
 William V. Roth, United States Senate  
 Carl T. Rowan, Columnist  
 William W. Scranton, Former Governor of Pennsylvania  
 Gerard C. Smith, North American Chairman, The Trilateral Commission  
 \*\*Michael J. Sodaro, Assistant to the Director, The Trilateral Commission  
 Anthony Solomon, Consultant  
 Robert Taft, Jr., United States Senate  
 Arthur R. Taylor, President, Columbia Broadcasting System, Inc.  
 Cyrus R. Vance, Partner, Simpson, Thacher & Bartlett  
 Paul C. Warnke, Partner, Clifford, Warnke, Glass, McIlwain & Finney  
 Marina von N. Whitman, Distinguished Public Service Professor of Economics,  
 University of Pittsburgh  
 Arthur M. Wood, President, Sears, Roebuck & Co.

\*Guest

\*\*T.C. Staff

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\*\* FOCUS \*\*

News and Opinion on Recent Developments  
 in Trilateral Affairs

TRILATERAL POLITICAL RELATIONS

TANAKA'S EUROPEAN TRIP -- Prime Minister Kakuei Tanaka's recent trip to Western Europe, intended largely to promote what he called a "balanced triangle" of equal relations between Japan, the European Community and the United States, encountered polite but stiff resistance to this notion in all the capitals on his itinerary. In meetings with President Pompidou, Prime Minister Heath and Chancellor Brandt, Mr. Tanaka "found more indifference than accord," according to an analysis appearing in the Far Eastern Economic Review. "...What he received," the article continued, "was, in essence, a cold reception." The Europeans appeared too preoccupied with intra-European issues and with current efforts to redefine their relationship with the United States to grant the Japanese proposal for trilateral equality more than cursory consideration. Although Britain and Germany displayed "some degree" of interest in the idea, "France was almost totally indifferent," the article said. ...Meanwhile, it was reported in The Japan Times that the Nixon administration's proposals for the inclusion of Japan in a new declaration of Atlantic principles

received little attention in talks between President Nixon and visiting European Commission President Francois-Xavier Ortoli. Mr. Ortoli told a news conference that, in their talks on October 1, the two leaders had not discussed the problems of Japan, "especially in terms of the declaration." Mr. Nixon, however, later reaffirmed his intention to include Japan in a broad redefinition of Atlantic relations. In a portion of his press conference of October 3 that was prominently reported in the European press, the President expressed his hope of securing European approval of three separate documents. While the first two would be confined to the Atlantic alliance and relations between the EEC and the U.S., the third would be of a more general nature and open to signature by Japan.

### ENERGY

THE SQUEEZE TIGHTENS -- The renewed demands of oil producing countries for substantial price increases, the resurgence of hostilities in the Middle East and the subsequent reduction in oil production and exports by Arab nations all combined to intensify the existing crisis in world energy reserves. In both the U.S. and Japan, there was talk of possible controls on domestic consumption, while in Europe the Common Market announced on October 25 a proposal for week-by-week surveillance of all government and commercial oil stocks, imports and exports in the nine member countries. In some quarters, appeals for broader cooperation among the chief oil consuming states were issued with a sense of urgency. On October 28, an editorial in The New York Times stated, "There is great need ... for the formation of a consumer consortium embracing the United States, Western Europe and Japan so that a countervailing power to the Arab monopolists may begin to function." And The Japan Times declared, "One of the needed responses by Japan on the international level is to involve itself actively in efforts to coordinate oil stockpile, import policies as well as projects beyond the matters of exigency planning."

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#### \*\* WHO'S WHO IN THE T.C. \*\*

The rapporteurs of the trilateral Task Force on Trade, soon to begin its work, are:

DON GUIDO COLONNA DI PALIANO ... born 16 April 1908; educated at l'Universita degli Studi, Naples; in the Italian Foreign Service since 1933, serving in the United States, Canada, Cairo, the OEEC and major European capitals; Deputy Director of Political Affairs, Ministry of Foreign Affairs, 1956-58; Ambassador to Norway, 1958-1962; member of the EEC Commission, 1964-67, and of the EC Commission, 1967-1970; President of the Italian department store La Rinascente since 1970.

PHILIP H. TREZISE ... born 27 May 1912; AB University of Michigan, 1936; MA, 1939; student, National War College, 1949-50; with the U.S. Department of State since 1946; consultant for the report to the President on foreign economic policy, 1950; Deputy Director, Office of Intelligence and Research, intelligence activities, 1943-56; member of the Policy Planning Staff, 1956-1957; Minister of economic affairs, U.S. embassy, Tokyo, 1957-61; Deputy Assistant Secretary for Economic Affairs, 1961-1965; U.S. Ambassador to OECD, Paris, 1966-1969; Assistant Secretary of State for Economic Affairs, 1969-1971; currently Senior Fellow, the Brookings Institution.

NOBUHIKO USHIBA ... born 16 November 1909; studied law at Tokyo Imperial University, graduated 1932; in Japanese Foreign Service since 1932, with posts in major European capitals; appointed Director-General of the Trade Bureau of the Ministry of International Trade and Industry, 1951; later, Director-General of the Economic Affairs Bureau of the Foreign Affairs Ministry; Ambassador to Canada, 1961-64; Deputy Vice Minister, then Vice Minister of Foreign Affairs, 1964-70; Ambassador to U.S., 1970-1973.