

Serial 14

IC-75-2518

22 September 1975

MEMORANDUM FOR: Mr. Willis T. Gehrke, IC/CPAD
SUBJECT : State Department's Minerals Attachés

1. This responds to your request of 19 September for information on the genesis and present status of the subject program. The following is based on telecons with Allan Wendt, Director of State/EB's Office of International Commodities, and James Barie, OMB's Budget Examiner for the Department, both of whom I have known for several years. Additionally, Wendt put me in touch with Ms. Dell Palazzolo, his Staff Assistant.

2. Some 18 months ago, OMB set up a meeting with representatives of Interior's Bureau of Mines and State's EB Bureau and budget people to discuss heightened Congressional interest in American access to strategic resources. Additionally, it will be noted, Secretary Morton had written Dr. Kissinger requesting that a Minerals Attachés Corps be established. Interior most likely would have preferred to have its own people serve overseas; instead, State decided that it would staff the positions. (Interior employees may well fill some of these slots overseas, but they will first receive a commission from State.)

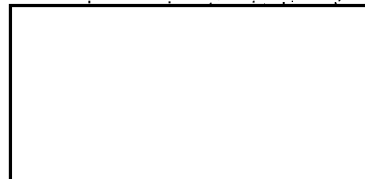
3. The first three regional positions were approved for FY 1975 for attachés based in Johannesburg, Rio de Janeiro, and New Delhi. Three additional slots were then authorized for the current fiscal year: Canberra, La Paz, and Kinshasa. (La Paz was selected because it was judged politically infeasible to select either Santiago or Lima at this time. And an attaché will not be posted to Kinshasa until next calendar year in light of Ambassador Hinton's recent expulsion.) Wendt's office is now proposing to the Department's Program Policy Group (PPG) that eight further MODE positions be authorized in FY 1977: Tokyo, Bangkok, Caracas, Brussels, Rabat, Warsaw, Accra and Jakarta.

(Interior chose neither Mexico City nor Ottawa.) Note, for the first time, that policy-oriented locations--Tokyo and Brussels--are being sought. Not only would EB have the officer assigned to Tokyo keep abreast of Japanese import plans, but also he would report on industrial developments, e.g., new technology employed by the Japanese steel industry.

4. I emphasize that the PPG has yet to rule on the request for the FY 1977 positions. At present, Mr. Eagleburger has suggested that the minerals and petroleum attaché positions be merged as "resources" attachés. Thus far EB is resisting the suggestion; should it prevail Caracas would then, for example, have both.

5. Apparently your interest in this program is keyed to the fate of the geographic attachés. There may be, however, only an indirect relationship between the two programs. On the one hand, the Department of State is responding to pressures from the Hill and a Cabinet member, and on the other hand, OMB is making available no new slots for the program. Indeed, I am told that Mr. Eagleburger received some 600 requests for new slots worldwide in FY 1977, 400 of which he has deemed to be valid. They will be obtained by internal reshuffling. Conceivably, then, the Beirut geographic attaché has been identified as one of the 400 slots to be "reprogrammed."

6. By way of footnote, three minerals attachés designate are en route from Washington to their posts next week, having just completed an eight-week Bureau of Mines course. I have notified the appropriate OER branch chief of their availability, should he wish to contact them prior to their departure.

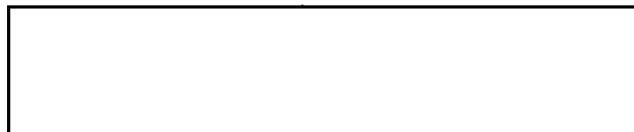


25X1

25X1 IC/PRD/ [redacted] lah

Distribution:

C/PRD--PRD Chrono



25X1 ✓ IC Registry
AS Chrono
AS Subj.