The President is concerned about the foreign policy repercussions arising from the various problems associated with the international agricultural situation. Agricultural policy has long been a source of irritation in our relations with Europe, and the recent emergency of protein and grain shortages has brought a new dimension to this agricultural problem. The current high prices in world markets for agricultural commodities, and the reductions in PL-480 availabilities are also causing problems for many developing countries and for us in our relations with them.

It is evident that the upcoming discussions and negotiations with other countries must ensure that future international cooperation in agriculture develops so as to be responsive to the changing nature of the foreign policy, as well as the economic, problems in this area.

In view of the above, the President has directed that a study be undertaken to review the foreign policy implications of various U.S. international agriculture policies which might be put forward during international discussions of the world agricultural situation and cooperation. Taking into account the evolving supply/demand picture for major agricultural products, the study should include examination of:
a. How international cooperation can support U.S. agricultural legislation in increasing agricultural production and assuring farmers that increased production will not unduly depress the prices they receive.

b. The foreign policy implications of and likely response to various international commodity arrangements which might serve U.S. interests in the future.

c. Ways for improving and sharing the costs of meeting essential food needs of developing countries.

d. The negotiability of various forms of international cooperation in agriculture.

In conducting this study, the focus should be on ways in which international agricultural policies can effect our overall foreign policy objectives. The roles of the USSR and the PRC in international agricultural trade should be considered, as well as the interests of developing nations. Approaches that have been suggested by other countries and international organizations, as well as those currently proposed by the United States, should be considered during the course of the study.

This study should not attempt to lay out a detailed blueprint for future international cooperation, but to provide a general survey of the foreign policy implications of various international agricultural policies, of the broad possibilities for future international cooperation, and general guidelines for future discussions with other countries in this area. A more detailed study may be required at a later date.

The study should be conducted by an NSC Interagency Ad Hoc Group comprising representatives of the addressees and the NSC staff, and chaired by a senior official from the Department of State. It should be completed and ready for review not later than September 28, 1973.

Henry A. Kissinger