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NEWS SUMMARY
January 10, 1975
Friday's networks, wires

The major stories:

- Chairman-designate Al Ullman (D., Ore.) of the House Ways and Means Committee said after seeing President Ford, "We have the ingredients for an early package of tax relief for the American people."
- Ullman indicated some misgivings about the plan the President is considering to give a 10 per cent rebate on 1974 taxes. He told newsmen, "We are not in agreement on application. On net impact, we are not far apart."
- Ullman found the tax legislation the President had in mind "wider in scope than I anticipated." But it "encompasses much of what I support." He pledged his cooperation with the President for early enactment of tax relief.
- The networks, which led their evening news shows with reports on tax cut plans, included the recommendations of John Dunlop and the 16-member Labor-Management Committee. Dunlop (on film) said the committee proposed a reduction in federal tax withholdings throughout 1975 to save taxpayers about \$15-billion. Steve Bell (ABC) said the President appeared to be embracing tax reduction proposals of Harvard economist Andrew Brimmer.
- The Ford Motor Company said it would close 10 of its 14 auto assembly plants and 7 of its 9 truck plants next week, idling 85,175 workers.
- Non-agricultural payroll employment which reached a peak of 78.9 million in October, declined by 465,000 in November and 675,000 in December, the largest two-month decline since 1945.
- Some of the nation's largest banks reduced their prime lending rates to 10 per cent. The falling interest rates and the prospects of a tax cut sent stock prices soaring in heavy trade on the New York Stock Exchange.
- The Dow-Jones average of 30 industrials advanced 13.53 points to 658.79, a gain of 24 points for the week. Sales on the Stock Exchange Friday of 25.89 million shares was the seventh busiest day in the market's history.



- Army Secretary Howard H. Callaway disclosed that army spy files collected on civilians between the Korean War and 1971 were not all destroyed, as Congress was led to believe.
- Callaway restricted access to the files as he ordered them purged, and an investigation made to determine why previous orders had not been carried out.
- The government spent \$367,878 on former President Richard Nixon and his staff in the first three months after his resignation, the White House reported. Presidential Press Secretary Ron Nessen said the amount is not comparable to the \$200,000 Congress voted for the Nixon transition.
- The information on the spending on Nixon was contained in a letter Budget Director Roy Ash sent Rep. Jack Brooks (D., Tex.), chairman of a sub-committee concerned with the Nixon expenses. Nessen read the letter to newsmen.

FROM THE WIRES

Iran Buys Supersonics for Pan-Am?

London (AP) -- The British Broadcasting Corp. said today that Iran will buy four Concorde Supersonic Airliners, built by Britain and France, and lease them to Pan American World Airways. A Pan Am spokesman in New York denied the report. "I don't know who the BBC is talking to, but there is no such arrangement," the spokesman said. The BBC broadcast said the purchase price for the planes will be \$230 million and will come out of Iran's surplus oil revenue.

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Russia Puts Two Men Into Space

Moscow (AP) -- The Soviet Union launched Soyuz 17 into Earth orbit early Saturday with two men aboard, the official news agency Tass reported. Tass said the spacecraft's flight program "provides for carrying out of joint experiments with the research station Salyut 4, launched into orbit on Dec. 26, 1974."

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Diplomats Say Brezhnev Is Okay

Moscow (UPI) -- Communist party General Secretary Leonid I. Brezhnev has been seen several times in Moscow over the past few days and is not thought to have a serious illness, Western diplomatic sources said Friday. They said there are no obvious signs he is in any serious political trouble.

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Polish Party Chief Visits Castro

Miami (AP) -- Cuban Prime Minister Fidel Castro embraced Polish Communist Party Chief Edward Gierek at Havana's Jose Marti Airport today as Gierek arrived for an official visit, according to a Havana radio broadcast monitored in Miami. Thousands of Cubans, cheering and waving flags, lined the route as Gierek and Castro drove car into downtown Havana, the broadcast said.

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FROM THE NETWORKS

President Will Ask Congress to Cut Taxes

President Ford has decided reductions in individual and business income taxes are keys to fighting recession, all networks reported. His plans for making the reductions remain tentative.

The President met with Speaker Carl Albert (D., Okla.) and Chairman-designate Al Ullman (D., Ore.) of the tax-writing House Ways and Means Committee Friday afternoon. He will meet with Senate Minority Leader Hugh Scott (R., Pa.) and House Minority Leader John Rhodes (R., Ariz.) Saturday. Ullman promised his cooperation in obtaining quick tax legislative action. Ullman said after the session that what the President proposed "encompasses much of what I support."

The networks gave detailed accounts of the plan getting Presidential consideration to give a 10 per cent rebate on 1974 taxes, reported by the Booth Newspapers Thursday and contained in yesterday's News Summary. Steve Bell (ABC) said the President drew on a proposal from Andrew Brimmer, a Harvard economist, for the tax rebate plan.



"The signal for business tax relief seemed to come when the White House released recommendations by its Labor-Management Committee, which included raising the investment tax credit to 12 per cent across the board," Bell said.

Presidential Press Secretary Ron Nessen "made a special point" of saying the President was impressed that both Labor and Management agreed on the tax credit, Bell reported.

John Dunlop, coordinator of the Labor-Management Committee, was quoted by NBC and CBS as saying the committee's proposal for reduced income tax withholdings during 1975 would be "more effective than a one-shot tax cut." CBS showed a film of Dunlop explaining the committee's recommendations.

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Ullman Will Run a More Open Committee

In a 2:45 minute profile of Rep. Al Ullman (D., Ore.), NBC's Ray Scherer said Ullman, who will succeed Rep. Wilbur Mills (D., Ark.) as Chairman of the House Ways and Means Committee, intends to run a more open committee and be his own man.

Ullman (on film) said: "It's going to be a new operation, and it's going to be a great challenge to out it all together in a way that we can produce more and better legislation."

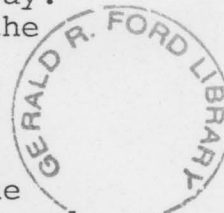
Ullman listed the "important matters" before the committee, in addition to taxes, as social security, health insurance, trade, unemployment compensation and welfare reform.

"At least three of them we must move on simultaneously," Ullman said.

Asked if the President can lead more than he is, or if the Congress should take the lead, Ullman answered:

"Obviously. Listen to what the President has to say. But we're going to make the final judgment. I think the time has come when the people demand that the Congress reassume more responsibility in managing the affairs of this nation."

Scherer commented: "Congress may try to assume the bigger role, but Al Ullman may never have all the power and influence Wilbur Mills had."



Ford Motor Company Will Idle 85,000 Workers

All networks reported that the Ford Motor Co. announced Friday that it is closing 10 of its 14 car assembly plants and seven of its nine truck plants next week. The action, which affects 85,000 workers, brings to almost 244,000 the number of workers idled by the Big Three car manufacturers.

Ike Pappas (CBS) reported from Detroit that unemployment in the inner city is nearly double that of the Detroit metropolitan area, and state officials estimate the level to be nearly 30 per cent. A majority of them are black, Pappas said, where it is not unusual for the unemployed to wait in line three or four hours for benefits.

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Atlanta Unemployed Line up for Jobs

CBS reported that Atlanta's unemployment has been rising steadily and is now estimated to be just under the national average of 7.1 per cent. The reporter said that on Friday, nearly 4,000 persons showed up at the Atlanta employment office to apply for 225 jobs which were available.

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Chicago Unions Agree to No Pay Hike

CBS reported that Chicago construction unions, faced with a critical job shortage, have agreed to a one-year contract extension with no pay raise.

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More Jobs Lost In November and December

ABC reported that the Government announced Friday that 1.1 million non-farm, payroll jobs were lost in November and December. ABC called the layoffs, which mainly affected workers engaged in manufacturing, the biggest two-month decline in employment since 1945.

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Army Failed to Destroy Its Dossiers on Civilians

ABC said it learned today that material gathered in an Army program on hundreds of civilians is still in Defense Department computers and could have been transferred by computer to the Central Intelligence Agency. This later was confirmed by Army Secretary Howard H. Callaway.

NBC's Ford Rowan said "the federal government's vast computer network permits the CIA and the White House to retrieve raw intelligence data on thousands of American citizens" from the Army's files.

Rowan said much of the data was gathered by Army Intelligence between the Korean War and 1971, when the Army said it discontinued its domestic surveillance program. Rowan said the Defense Department said today "it still has intelligence information on American citizens in the Army computer file which should have been purged in 1971." Rowan said a Department spokesman conceded that "purged" material would not be destroyed if it is still useful.

Rowan said a source who has worked at high levels in both the CIA and the Defense Department said valuable intelligence records are never destroyed, and that discussions were held in 1971 to turn them over to the CIA.

Rowan said the Defense Department Friday denied that the Army domestic surveillance files were transferred, and the CIA declined comment, he said.

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Head of Domestic CIA Spy Unit Identified

CBS' Daniel Schorr said Central Intelligence Agency Director William Colby will be among the first witnesses to testify before the Rockefeller panel that will be investigating CIA spying on U.S. citizens.

Schorr said Colby is reported ready to tell the panel that, taking over late in 1973, he learned of CIA's domestic surveillance program and that he acted quickly to dismantle it and get rid of the man who ran it.



"That was Richard Ober, Chief of Special Operations, of James Angleton's Counterintelligence Division," Schorr said.

Schorr said that in March, 1974, Ober was transferred to Secretary Kissinger's National Security Council as Intelligence Coordinator. Once secret documents indicated he was the "key CIA contact on domestic intelligence."

Schorr displayed (on film) a 1971 "Eyes Only" memo of Robert Mardian on civil disorders that indicated Ober was among the recipients of the memo.

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President Considers Higher Fuel Costs

The networks reported that the President met with top economic and energy advisers Friday to make decisions on energy conservation proposals.

ABC's Steve Bell reported that the programs are expected to include a tariff on imported crude oil and a \$3 per barrel excise tax on domestic crude oil. Walter Cronkite (CBS) said the new taxes can be expected to gradually raise gasoline prices by 8 cents to 12 cents per gallon.

The combined levies would raise \$18 billion in revenue, part of which would be channeled back into the economy through rebates, Bell said. The two measures are intended to encourage fuel conservation without further depressing the economy through higher fuel costs, Bell explained.

Nelson Benton (CBS) said officials at the Federal Energy Administration indicated that the new program would also include tighter rules for industrial fuels conservation and tax incentives for plant and home improvements to save energy.

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State of the Union Address Developed

All three networks speculated on whether an announcement of the President's economic programs would come before his State of the Union address.

CBS' Bob Schieffer said the White House won't say whether the President is planning a television address before he delivers his State of the Union speech to Congress.



"But it is known that he's been refining his television technique this week with rented television equipment," Schieffer said.

"With Democrats on Capitol Hill working to come out with their own economic program, it now appears the President will move up the delivery time for his State of the Union message or even reveal some proposals beforehand [with] some announcement of the timing of that message expected tomorrow," ABC's Steve Bell said.

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More Aid to Vietnam Under "Intensive Consideration"

ABC reported that the Ford administration said supplemental aid to South Vietnam is "under intensive consideration." Harry Reasoner (ABC) said Gen. David Jones, U.S. Air Force Chief of Staff, is touring Indochina and is scheduled to meet with officials in Saigon on Saturday.

"It seems certain that the meeting will include a discussion of South Vietnam's military needs," Reasoner said.

ABC's Ted Koppel said State Department officials are "keenly aware that they face an uphill battle" in trying to get additional funds for South Vietnam approved by Congress."

"They will approach the task along these general lines: The North Vietnamese are blatantly ignoring the Paris Agreement of '73," Koppel said. "They have infiltrated an estimated 80,000 more troops into the South than were there two years ago. U.S. Intelligence reports a massive buildup in surface-to-air missiles, conventional anti-aircraft weapons, and tank forces."

Koppel said that although U.S. aid to South Vietnam is almost double what the Soviet Union and China are channeling into North Vietnam, State Department officials argue that the comparison is misleading. Sino-Soviet aid includes only military hardware, the officials said, but U.S. aid includes clothing, rations, training, fuel, and transportation from the U.S.

State Department officials also argue that U.S. aid to South Vietnam has declined one-third over the past year, whereas communist aid has remained constant, Koppel said.

"There are no illusions here that Congress could be convinced to allow any kind of direct US intervention in Vietnam again, but the conviction somehow survives that even this predominantly Democratic and more liberal Congress will not allow South Vietnam to go down the drain after the immense American investment of the past generation," Koppel said. "And without an increase in U.S. military aid, officials here say, the South Vietnamese will be in very bad trouble."



Additional Aid Requests for South Vietnam Face Congressional Opposition

ABC/NBC reported on congressional opposition to requests for additional aid for the South Vietnamese government.

"Any requests for more than extremely modest additional aid to South Vietnam is going to meet with strong, and probably insurmountable, opposition in Congress," Bob Clark (ABC) reported.

Sen. John Stennis, (D., Miss.), Chairman of the Senate Armed Services Committee, said if the only way to save South Vietnam was to give the country additional aid, he would "do his best" to get the appropriation passed. Clark said Stennis was clearly in the minority.

Sen. George McGovern (D., S.D.) (on film) said: "It damages us by aggravating a very serious inflation that we already have, and as far as Vietnam is concerned, it is funding of a conflict that ought to end. As long as we continue to bankroll it, there is going to be killing and dying and suffering in Southeast Asia. We should have learned that years ago. The time has come to end it."

Sen. Richard Schweiker (R., Pa.) (on film) said he would strongly oppose additional aid to South Vietnam.

On (ABC/NBC) film Sen. Frank Church (D., Idaho) said: "There is no way that the United States can impose its will in Southeast Asia. And this money will simply prolong the war; it will never end it. "I hope the Congress will hold fast to the ceilings that it has established in the present law, and I certainly will work as hard as I can, as one Senator, to retain those ceilings,"

Thieu Promises Recapture of Phuoc Long Province

President Thieu of South Vietnam went on television and radio in Saigon Friday to promise his people that the government would recapture the province it lost to the North Vietnamese last Tuesday, NBC reported. NBC said Thieu also appealed to countries friendly to South Vietnam for help.

John Chancellor said the fact that Thieu made a nationwide televised speech "underlines the seriousness of the situation, because the threat it poses to the Thieu government."



Dennis Troute reported from Saigon that government rallies have become almost a daily event. He said most of the speeches have one central theme: That the Communists are repeatedly violating the Paris Peace Agreement and aren't really interested in a political solution.

In a related development, CBS reported that Communist forces in South Vietnam blew up millions of gallons of gasoline stored in a government compound in Pleiku city. In Saigon, saboteurs bombed the city's main power station.

President Wants Aid to Cambodia

NBC's John Chancellor said President Ford would like to send more money to Cambodia. Cambodian rebels have been making assault after assault on areas around Phnom Penh, "and there were fears in Washington that Phnom Penh might fall," NBC said. Don Oliver reported from Cambodia that the New Year's offensive against Phnom Penh has been stopped.

Kissinger Decision on Pacific Movements Overruled by Ford

ABC said that Friday the St. Louis Post-Dispatch reported that Secretary of State Henry Kissinger had proposed plans for a U.S. naval force to be moved toward the vicinity of South Vietnam when fighting flared there earlier in the week. ABC said the newspaper reported that the Secretary of State was overruled by President Ford. The State Department denied the report, ABC said.

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Largest Ever Oil Tanker Launched

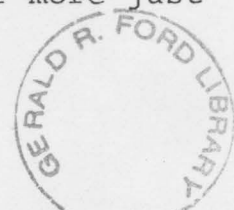
ABC/CBS carried film of the launching in Baltimore of a new supertanker that Walter Cronkite (CBS) said is the biggest ever built. The "Massachusetts" will not be completely fitted for sea for another year, CBS reported. But it is longer than three football fields and can carry more than two million barrels of oil. Bethlehem Steel plans to build four more just like this one, CBS reported.

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Oil Workers Reach Contract Agreement

ABC/CBS reported that the Oil Workers Union has accepted a new contract offer by Gulf Oil Co. The contract agreement, which will raise wages 26.8 per cent over two years, will probably prevent an industry-wide strike, ABC said.

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Lebanon Making Hard Decisions on National Security

ABC's Hilary Brown reported on the mutual defense talks which have taken place this week between the Lebanese government and President Hafiz Asad of Syria.

Brown said that the recent rash of Israeli raids across the Lebanese border have caused the Syrians and Lebanese to fear that the Israelis may try to occupy all of South Lebanon and out-flank the Syrian defenses on the Golan Heights. The Syrians are "desperate" to provide Lebanon with military aid, Brown reported, because the Arabs do not believe the Lebanese could repel an Israeli attack on its own.

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Tornadoes Cause Heavy Damage

All networks, with film reports from Macomb, Miss., reported that tornadoes hit in parts of both Mississippi and Louisiana, killing at least seven persons and injuring about 100.

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Draft Evader Fired from Alternate Service Job

A Vietnam draft evader in West Palm Beach, Florida, was fired Thursday after only four days on an \$11,000 a year job, given to him as alternate service under President Ford's amnesty program, NBC/CBS reported. NBC said local residents made so many complaints that the county dismissed him from his job with the county engineer's office. NBC said one woman said: "I lost my son and all I got was a flag. This man hid, and now he gets a good-paying job."

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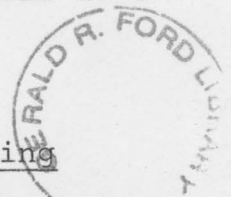
India Recognizes Palestine Liberation Organization

The government of India Friday recognized the Palestine Liberation Organization as the only representative of the Palestinians, NBC reported. India authorized the PLO to open an office in New Delhi, NBC said. NBC said the PLO will have full diplomatic privileges in India.

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Harris Poll Gives Ford Negative Performance Rating

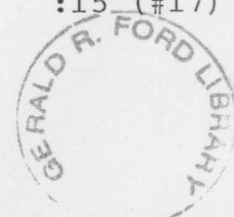
ABC/CBS reported that a Harris Poll taken in mid-December showed that 52 per cent of Americans disapproved, and 46 per cent approved, of President Ford's performance in office. Two per cent were undecided, ABC said.



TIMES of NETWORK NEWSCASTS
Friday, Jan. 10, 1975

	ABC	NBC	CBS
A. Administration News			
1. Pres/Harris Poll	:25 (lead)	--	:15 (#2)
2. Pres/Econ & Fuel Proposals	2:25 (#2)	2:40 (lead)	2:20 (lead)
3. Admin/Vietnam	2:05 (of #7,8,9)		--
4. Ford/Cambodia		1:35 (#7)	--
5. Unemployment Stix	:10 (#3)	:10 (#3)	:15 (of #3)
6. Skylab Particles	:30 (#18)	1:60 (#16)	:25 (#19)
7. CIA-US Army Computer	--	1:55 (#12)	:20 (#12)
8. Nixon Transition Funds	--	--	1:15 (#15)
9. Rockefeller/CIA Commission	--	--	1:20 (#11)
10. Admin Food Stamp Proposal		--	4:00 (#20)
11. Pres w/Ullman	:30 (lead)	--	:20 (#21)
B. Other Major News			
1. Hill/Vietnam	2:00 (#8)	1:05 (#6)	
2. Ford lay-offs	:15 (#4)	:10 (#2)	2:30 (#3)
3. Prime Rate	:15 (#5)		:15 (#7)
4. Miss. Tornadoes	1:30 (#10)	1:45 (#9)	1:35 (#10)
5. Mass. Abortion Case	2:15 (#11)	2:10 (#10)	1:30 (#14)
6. Boston Schools	:10 (#12)		
7. Baltimore Supertanker	:30 (#13)	--	:45 (#18)
8. Oil Workers Settlement	:15 (#14)	--	:10 (#6)
9. Mideast/Is. Raids	3:05 (#15,16)	--	--
10. Beatles	:45 (#17)	--	--
11. Gold Uses/Prices	2:40 (#19,20)	--	--
12. Vietnam	--	2:30 (#5)	2:30 (#8)
13. India/PLO	--	:25 (#8)	--
14. New Congressmen	--	:15 (#13)	--
15. Al Ullman	--	2:45 (#14)	--
16. Draft Evader Fired		:35 (#11)	:30 (#13)
17. Atlanta Unemployed	--	--	1:30 (#4)
18. Jimmy Hoffa	--	--	:15 (#16)
19. Smithsonian/Pollution	--	--	:15 (#17)

*ABC lead w/President's meeting in 7:00 p.m. Telecast



EDITORIALS/COMMENTS ON RECENT NEWS
January 10, 1975

FROM FRIDAY'S PAPERS

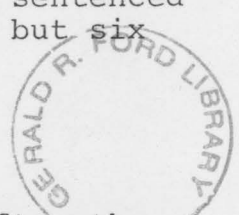
James McCartney, Knight News Service: The new chairman of the Senate Foreign Relations Committee today advocated formation of an independent Palestinian state on the West Bank of the Jordan River on land now occupied by Israel. In an exclusive interview, Sen. John Sparkman (D., Ala.) said he would "like to see...the Palestinians establish themselves as a government on the West Bank, as a new country." He also: (1) Supported the controversial proposal that the U.S. and the Soviet Union might join forces to "guarantee" peace in the Middle East; (2) Suggested the possibility of a treaty to guarantee the security of Israel's borders among the U.S., Israel, Egypt, Syria and possibly Jordan; (3) Advocated internationalization of the Holy places of all three major religions with historic interests in Jerusalem -- Hebrew, Christian, Moslem.

Art Pine, Baltimore Sun, Washington: President Ford tentatively has decided on a \$47 billion package of tax cuts and increases in government benefit programs as part of his coming economic and energy program, according to key sources here. The massive new package would involve some \$15 billion worth of tax cuts to stimulate the economy....The remaining \$32 billion in relief would be designed to offset the sharp new incomes in fuel prices and utility charges that are expected to result from the President's new mandatory energy-conservation measures.

New York Times: Bertram L. Podell was sentenced in Federal District Court here last night to six months' imprisonment and a \$5,000 fine for conspiracy and conflict of interest in accepting \$41,350 to help a small Florida airline while he was a Democratic Representative from Brooklyn. (The judge sentenced Podell to two years in prison but then suspended all but six months of it.)

EDITORIALS

Baltimore Sun, "Arming the Saudis to Fight." After the eruption of angry English and Arabic that greeted what looked like an implied threat by Secretary of State Kissinger to invade Arab oil lands under extreme conditions, it was left to the Saudi Arabian state radio to announce the real American foreign policy.

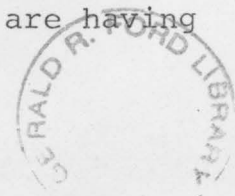


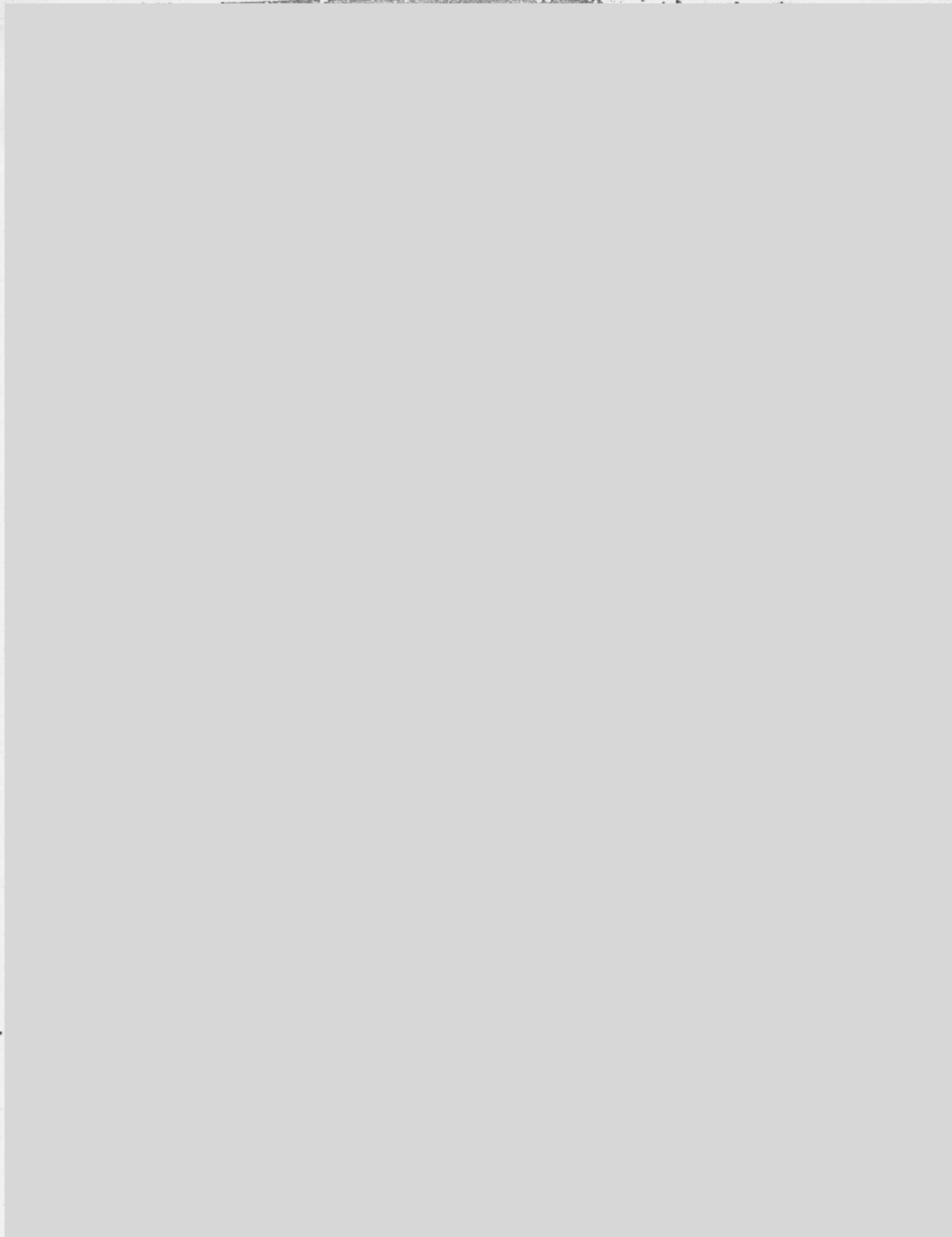
The Saudis have agreed to pay three-quarters of a billion dollars for two dozen or so American warplanes, not the latest and best, plus training....Against whom are these planes meant to fly in anger? The answer of history so far is that Saudi warplanes are not accustomed to flying in anger. There is a good chance that any Washington version of whom the planes might fight is an afterthought....What is certain is that all officials at the Pentagon and Foggy Bottom whose signatures and initials were needed for this deal never dreamed for a minute that the United States might wish someday to invade or fight Saudi Arabia.

Los Angeles Times, "A Dogfight Worth Billions." What is being called "the arms deal of the century" is nearing the climax. Wednesday the Defense Department is to announce its choice between two new U.S. fighter planes -- one built by Northrop, the other by General Dynamics. Four European countries will shortly thereafter choose between the winner of the American competition and the French F-1 Mirage for their own air forces. By the time anticipated sales to other nations in Europe and elsewhere in the world are figured in, the market may total 2,000 or 4,000 planes worth \$15 billion to \$30 billion. With that much money involved, it is important that the United States win the great fighter-plane sweepstakes. But it is also important that relationships between the Atlantic Alliance not be damaged in the process.

Los Angeles Times, "Saxbe's Successor: An Unwise Delay." It has been almost a month since President Ford chose William B. Saxbe as the next ambassador to India, but he has yet to nominate Saxbe's successor as attorney general. Further delay would be unwise. Mr. Ford is said to favor the appointment of Edward H. Levi, president of the University of Chicago, and we agree that he would be an excellent choice.

Miami Herald, "Tax Cut Will Ease the Pinch But There Goes That Budget." A tax cut is virtually certain early in the session of Congress which convenes Tuesday. So if that's the truth, what are the consequences for the American economy? There is...some concern -- which we share -- that the administration's understandable anxiety over rising unemployment may be causing it to abandon too quickly the unfinished fight against inflation. A sizeable tax cut could increase the budget deficit to the vicinity of \$40 billion a year, forcing the Treasury to borrow on an unprecedented scale at a time when many businesses are having trouble borrowing.





ENGELHARDT

'I Hope The Blue Ribbon Panel Can Get Through
The Red, White And Blue Curtain'

St. Louis Post-Dispatch, 1/7/75



Miami Herald, "Crocodile Tears From a Bear?" There's not much room for chuckling even sadly about the state of political relations in the Middle East, but we do offer a mordant guffaw at the reaction of Tass, the Soviet mouthpiece, to Henry Kissinger's hint that the West might possibly take military action to secure Persian Gulf oil supplies. As it does so often in the absence of forthright comment, Tass simply quotes non-Russian sources with approval as a vicarious expression of Kremlin policy. So it finds a "stormy reaction" to Mr. Kissinger's words....We chuckle because these weasel words of wrath come from the people who brought you the invasion of Czechoslovakia, the humbling of Hungary....

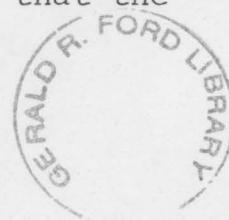
NBC TODAY SHOW

Oil workers settlement: Frank Blair reported that the oil workers union reached a contract agreement with the Gulf Oil Company early Friday, averting a nation-wide strike against all major oil companies. The two-year contract, which one union official denied was inflationary, provides for a 26.8 per cent wage increase. The official said the agreement should not increase the price of gasoline. Blair said the settlement is expected to set the pattern for contracts with the other major oil companies.

South Vietnam: Dennis Troute reported from South Vietnam that the government has retaliated for the loss of Phuoc Binh with dozens of air strikes targeted against Loc Ninh, the Viet Cong's administration capital 75 miles north of Saigon. Troute said returning pilots reported heavy anti-aircraft fire but could provide no estimate of damage.

In Saigon, Troute said a group of anti-communist demonstrators protested for the third straight day in front of the International Supervisory Commission, demanding action by the peace-keeping mission in response to the recent fighting.

"The loss of Phuoc Long province was important in military terms, but not critical," Troute said. "The Vietnamese are far more concerned because government action under pressure was not clear-cut or decisive. They know that the Communist threat is growing again, and they are not at all sure certain that the government can deal with it."



ABC'S A.M. AMERICA

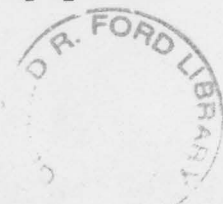
The Economy: The White House and Congress are literally racing to draw up new economic policies to ease the recession in the economy, Peter Jennings said. He said the latest lead from the White House suggests that President Ford is moving towards a \$15 billion income tax cut. Treasury Secretary Simon says the new Ford proposals will help those who have been hit hardest by economic troubles, ABC said.

President Thieu: In Saigon, President Thieu announced in a radio and TV broadcast that he will order the South Vietnamese armed forces to recapture the province of Phuoc Long from the North Vietnamese and the Viet Cong forces. Saboteurs early Friday attacked a power plant in Saigon, blacking out the capital city for two hours, Peter Jennings reported.

New CIA Revelation: Peter Jennings reported Friday's Washington Post story which said the CIA intercepted and read the mail of AFL-CIO President George Meany and two of his aides. Jennings said it was reported that the CIA was supporting anti-communist trade unions in Europe and using American unions as conduits for CIA funds. Mr. Meany and the CIA have denied any financial relationship between the AFL-CIO and CIA, Jennings said. Replying to reports that the Justice Department gave the CIA lists of American radicals, the CIA says it did not use them, and burned the lists in March of 1974, Jennings reported.

Interview About Kissinger: In a 6:45 minute interview by Peter Jennings, ABC's State Department correspondent Ted Koppel and Star News State Department correspondent Jeremiah O'Leary predicted some problems ahead for Secretary Kissinger with Congress.

"Predominantly, I think his problems are going to be with an American Congress that to me appears to be in open rebellion, to the extent that it is determined to set its own foreign policy, which is not always, or even ever, going to be the same as Henry Kissinger's foreign policy," O'Leary said. "I think one of his first orders of priority, and I think he knows it, is going to be to have to woo Congress to achieve some kind of a partnership, or the bills that he needs passed...simply will not get off the ground."



"His time is running out," Koppel added. "He's got a few more months...before the new presidential campaign starts, and once that starts, then foreign policy is going to become what it hasn't been for the past few years, and that is very much of an election issue."

Koppel said Sen. Henry Jackson (D., Wash.) would use foreign policy as one of his major campaign themes, "and Henry Kissinger is going to be the villian, and he's an easy villian to portray...."

"Up to now, he's unassailable," O'Leary said. "But the equation has changed on Capitol Hill. The Foreign Relations Committee is no longer a sweetheart relationship because Senator Fulbright is gone. Other committees that normally have nothing to do with foreign policy have the checkbook, and Dr. Kissinger is going to have to convince them that his foreign policy is better than their foreign policy."

Koppel said, "I think a bad guy/good guy is necessary in any administration. You've got to have a good cop and a bad cop, the guy who's waving the carrot, the guy who's waving the stick. In the past, Henry Kissinger was the carrot wielder. Now with this nice guy in the White House, Jerry Ford, whom everybody loves, who's such a nice, amiable, easy-going fella, Henry Kissinger suddenly becomes the bad guy."

Asked how he felt about the success of any new one-man diplomacy in the Middle East, O'Leary said: "I would say that Kissinger, Sadat, Assad and all the other leaders in this equation all need a victory of some kind very badly and quickly, and I think Dr. Kissinger is running out of potential winds. He might get one more withdrawal on the Israeli-Egyptian front... Beyond that I see no more victories for him, unless he and Congress come to an accommodation."

O'Leary said he was "almost more interested" in Kissinger's two upcoming trips to Latin America "where things are in a great deal of turmoil, particularly in Argentina." O'Leary said the Latins "feel very wounded by the restrictive provisions of the trade act."

CBS MORNING NEWS

Safety Board Says Bomb Caused Jet Crash: Bruce Morton reported that the National Transportation Safety Board has decided that a bomb caused the crash of a TWA airliner last September off the coast of Greece, in which 88 persons died. The board said another TWA flight in that same area two weeks earlier, carried a bomb that failed to explode.



CIA List Reported Destroyed: Bruce Morton reported that the list of American citizens traveling abroad that was given to the Central Intelligence Agency by the Justice Department reportedly was destroyed in 1974. The Associated Press quoted an unnamed Administration source as saying that the CIA never made any use of the Justice Department list, Morton said.

Cash Rebate Considered: Bruce Morton said a tax cut seemed certain. Some reports said the President is considering some sort of "cash rebate" to be sent directly to taxpayers in the hope the money will be spent to stimulate the economy.

South Vietnam Aid Request: Bruce Morton said that if the President asks Congress for increased aid to South Vietnam, he will "probably have less than a 50-50 chance of getting it."

Simon Comments on the Economy: On film from a news conference in Detroit, Secretary of the Treasury William Simon said double-digit inflation has frightened and confused the public.

"As the inflation rate eases and lending rates come down -- as they are right now -- then we'll see consumers begin to spend again and a resurgence in housing, which always leads the American economy out of a recession," Simon said.

Simon said Americans are "such impatient people," but "nothing can be done instantly -- there is no quick fix for instant solutions to our economic problems."

More Auto Industry Layoffs: Hughes Rudd reported that the Ford Motor Company was due to announce new production schedules Friday which would probably include more layoffs on top of the 65,000 already laid off by Ford.

Bruce Morton Comment on Tax Cuts: Nobody is sure what the effects of a tax cut would be on the economy. Some economists think it will mostly make inflation worse.





2/11/84



Copley News Service

"Buddy, it just won't fit!"

Charleston News and Courier

January 8, 1975



They argue this way: There will be federal deficit even without a tax cut; there will be a very large deficit with one. That means the government will have to borrow a lot of money, which means the government will be using most of the available credit. Thus, when private businesses want to borrow, money will be scarce. Interest rates will consequently go up and we will be back in the inflationary spiral.

Other economists say: That just isn't so; that we are in a recession when most businesses are not trying to borrow money, but instead are trying to sit tight or even shrink a little.

Whichever school of thought is right, taxes do seem certain to be cut -- the other unanswerable question is when?

House Democrats are talking about action within 90 days, but the Ways and Means Committee is likely to do what it did last year: Couple the tax cut with some new taxes on the oil industry to increase government revenues.

That might move through the House fairly quickly, since bills there usually come to the floor with no amendments permitted. But in the Senate, any such bill faces a finance committee chaired by an oil-state Senator -- Long of Louisiana -- and then would reach the floor open for unlimited amendments and unlimited debate.

The oil-state Senators are a cohesive bloc, they have filibustered before and quite likely will again.

There's been a lot of talk lately of congressional reform and responsibility. The speed of the new tax bill will be one test of how serious that talk is.

* * *

Business Week, "The Tax-Cut Stampede." The new Congress is coming back to Washington howling for tax cuts. The Ford Administration apparently is doing an about-face. Somewhere in the process, the great plans for fighting inflation have quietly gone into mothballs. The case for a tax cut must be a political one -- it cannot stand on the argument that the economy needs more stimulation. If there is to be a cut, a reduction in withholding taxes for one year only would do the least damage.



Southern Papers

Peter J. Bernstein, New Orleans Times-Picayune: Fifteen months after the Arab oil embargo shook the world, the United States is the only industrial country without a national oil company either planned or operating. Sen. Adlai E. Stevenson III, (D., Ill) intends to spearhead a legislative drive in the coming 94th Congress to create a real and permanent competitor in the oil fields in the form of a federal oil and gas corporation. Stevenson believes "it's only a matter of time" before Congress and the administration approve a national oil company.

Charleston News and Courier, "'Force' and Middle East Oil." Secretary of State Henry Kissinger's use of the word "force" in response to a hypothetical question about Middle East oil has sent shocking waves around the world. Mere mention of the possibility of military action makes people jumpy, but Secretary Kissinger was telling it like it is at a time when it should be told.

Birmingham News, "Predictable Reaction." Predictably the Arab oil-producing nations, third world nations and some members of Congress have reacted with mock surprise and feigned horror at Secretary of State Henry Kissinger's admission that the United States would not rule out the possibility of force "to prevent strangulation of the industrialized world." In a world of changing power balances, Kissinger's statements were both moral and responsible. He deserves to be commended, since they are certain to make his task in working for peace in the Mideast considerably more difficult.

Louisville Courier-Journal, "New Federal Truck Weight Law Squeezes Safety Off the Road." The Congressional flair for unintentional irony never ceases to amaze. The 93rd Congress made 55 miles per hour the permanent speed limit on interstate highways in order to save fuel and lives. Yet the same bill, signed over the weekend by President Ford, allows states to permit a 10 per cent increase in truck weights. This compounds an already serious safety hazard and invites \$50 to \$100 million in increased road maintenance costs each year.



Birmingham News, "Leave the Driving to Them." (Sen. William Proxmire) has made one of his rare common-sense points in wanting to crack down on the use by bureaucrats of chauffeur-driven cars. It makes no sense for Congress to allow federal officials to be treated like royalty while the average citizen who pays the bill finds his tax bill more burdensome every year.

Charleston News and Courier, "Riding Around in Style." The chauffeur-driven limousine has become the big status symbol among federal bigwigs. This show of official opulence is a costly display at the taxpayers' expense. Big government has been taking on more and more the hue of royalty -- a stance repugnant to our democratic system.

Charleston Courier-Journal, "Auto Emissions: Keeping Detroit's Eye on the Target." It now seems likely that Detroit's automakers will succeed in persuading the Environmental Protection Agency and then Congress that slumping sales necessitate still another extension of the stringent auto emission control standards called for in the 1970 Clean Air Act. But Congress should impose some conditions in return. Among them might be a graduated horsepower tax, to prod the automakers into producing smaller and more efficient cars. Mandatory fuel consumption requirements by 1980 also would help. Any moratorium on clean-air auto emissions standards must be coupled with a stiff, no-nonsense set of economic sanctions that will make Detroit realize it's good business to develop more efficient cars as soon as possible.

Western Papers

San Francisco Examiner, "Away Too Long." Speaking in India the other day, Daniel P. Moynihan said Congress is writing so many "mean-spirited and inane" restrictions into aid legislation that the day is near when self-respecting countries will refuse the aid. But Congress is correctly reflecting the American mood. Moynihan has been away too long.



Houston Chronicle, "The List on Ford's Desk." Experts advise those with a heavy workload to start each day with a list of projects to be undertaken. The list on President Ford's desk each morning must be a marvel to behold. If all the nation's problems were put down one after another, he might have to spend all day just reading the list. We have bucked these problems to the Oval Office seeking solutions. We should not be surprised to find the problems coming back our way, along with a request that we be part of the solution.

Fort Worth Star-Telegram, "War Chilling Idea, Should Remain So." The White House study only said what everybody knows -- that the current world economic problems are "creating a potential for mistrust and conflict among nations" -- but the statement nevertheless could not help but produce a major crop of goose pimples. Stripped of its veneer of nice-sounding words, the report said the economic mess could lead to war. It's a chilling thought that the American people ought to think about just the same. Thinking about it, if done correctly, could help prevent the thought from becoming reality.

Houston Post, "No Way to Treat a Friend." The post of U.S. Ambassador to Costa Rica has been empty for more than a year. If the U.S. cannot trouble to send an ambassador to this long-time friendly country, why should Costa Rica honor U.S. requests to extradite Robert Vesco? It would be unfortunate if this diplomatic lack should further estrange two democratic nations among the few left in the Western hemisphere.

Midwest Editorials

St. Louis Globe-Democrat, "Intervention an Option in 'Oil War.'" The option to use military force against the Arabs and other members of OPEC can't be foreclosed, particularly by the United States as leader of the free world. If the Arabs recklessly threaten to bring about what Henry Kissinger termed the "strangulation of the industrialized world," is there any serious doubt about what action Western nations would take? History is replete with examples where nations went to war with far less provocation than this.



St. Louis Post-Dispatch, "A Solution of Force?" The kindest thing to be said about Henry Kissinger's remarks about the possible use of military force against oil producers is that it is possible, barely possible, to interpret his statement as something less than saber-rattling. The danger in these discussions is that they may serve as a kind of intellectual under-pinning for the delusion that a casual resort to force is a morally acceptable substitute for the difficult task of accommodating a nation to the world's inconvenient realities.

Chicago Sun-Times, "A Boost for Amnesty." The amnesty program for Vietnam War draft resisters and deserters needs a shot in the arm. We share the hope of the American Bar Association that President Ford will extend the Jan. 31 deadline for the program. An effective program needs time as well as support if it is to achieve its goal.

Chicago Sun-Times, "Arms Sale or Arms Drain?" Rep. Clarence Long (D., Md.) is on solid ground in asking President Ford to review programs of U.S. military aid to Iran. The Pentagon has sold so many weapons and hired out so many technicians to Iran that its own reserves are significantly, and perhaps dangerously, depleted. If the U.S. is going to have an arms sales program with Iran, it ought to be financially profitable and militarily safe.

St. Louis Post-Dispatch, "Iran's Nuclear Deal." Americans should demand that any secret deals between Richard Nixon and the Shah of Iran be fully exposed and, more than that, the massive arms supply should be stopped. Will the Congress not concern itself with this serious matter before Iran, helped by the United States, becomes a nuclear power?

St. Louis Globe-Democrat, "Nationalization -- A Game Two Can Play." In their haste to take over industries created by foreign capital and enterprise, Arab nations and other so-called



"developing" countries are forgetting one thing -- nationalization can work two ways. After the Arabs and other assorted oil extortionists have invested all of their billions in industrialized countries, and expended great amounts of time and effort to get everything running perfectly and profitably, the host countries have an option. They can say, "Shucks, sheik, you've been nationalized."

Kansas City Times, "Hanoi, not the U.S., Has Smashed the Truce in Vietnam." The United States has kept its part of the Paris agreement on Vietnam. The Communist side -- North Vietnam and the Viet Cong -- has not kept its part. The matter is that simple. The 36 religious leaders who have accused the U.S. government of breaking the Paris pact do not have their facts straight.

St. Louis Post-Dispatch, "War Clouds in Vietnam." There are signs that the Ford Administration is still considering some kind of military involvement in Vietnam, perhaps in the form of requests for more aid to Saigon. But by now the United States should have learned the lesson that the only sensible course is total withdrawal from that area, where Americans have already caused such incalculable damage. With no American interests at stake in the survival of President Thieu, the U.S. should let the parties in Vietnam settle their own dispute.

New England Papers

Kingsbury Smith, Hearst Headline Service, Boston Herald American, Rome: On the ideological front, there have been signs in Moscow that the hardliners think the Western capitalist system is nearing the brink of collapse and the Communist world should be accelerating the process instead of playing the detente game of improved relations and cooperation.

Hartford, (Conn.) Courant, "Are More Judges Needed?" In a year-end statement, Chief Justice Warren Burger has urged Congress to revitalize the Federal court system by creating 63 additional judgeships to help handle a steadily mounting workload. He also has called upon the legislators to establish a new Federal court next year that would relieve the pressure on the high bench by

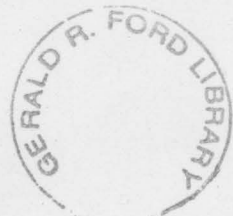


deciding some less significant cases at a lower level. Furthermore, he is urging higher salaries for top tribunals. A new Federal court is a highly questionable issue. But more judges with more just rewards is a matter Congress should indeed consider.

Jack Zaiman, Hartford (Conn) Courant: Sen. Abraham A. Ribicoff Tuesday proposed tax cuts, gasoline and oil rationing and wage and price controls to fight 'stagflation' -- simultaneous recession and inflation. Outlining a five-point program Tuesday in an interview, Ribicoff declared that President Ford "should start acting like a president rather than a congressman. He is No.1, not one of 435.

"The American people will do anything required of them, provided they are told the facts and why. President Ford has to be tough. Up to now he's just been a nice guy," Ribicoff said.

Newsday, "For Israel, an Opportunity to Negotiate." It's clear that Israel must give up territory in order to gain security. It's equally clear that time is not on Israel's side. If Foreign Minister Yigal Allon isn't prepared to discuss meaningful concessions with Kissinger next Wednesday, a crucial opportunity to extract Egyptian concessions will have been lost. And no one can be certain how many more opportunities there will be.



Как показывают многочисленные совещания, которые проводят страны — члены «Общего рынка», участникам ЕЭС не удается найти общих решений по вопросу о путях выхода из экономических трудностей. (Из газет).

Заязли...

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Р. В. Бомичева.

Pravda's Views

Запланированное повышение на 4,5 млрд. долларов военных расходов в 1975 году ляжет тяжелым бременем на плечи налогоплательщиков стран НАТО. (Из газет).



Общищает...

П. 26. XII. 74

Рис. Ю. Черепанова.

NEWS SUMMARY

January 12, 1975

Sunday papers, networks, wires

- President Ford agrees with Henry Kissinger that the United States would not rule out forceful intervention in the Mideast "if the free world or the industrialized world would be strangled" by an oil crisis, he tells Time Magazine in an exclusive interview.
- Congressional Democrats to reveal their own economic program Monday.
 - The 90-day program is expected to include proposals for wage and price controls, possible gasoline rationing, increased credit, additional public service jobs, an emergency housing program, and tax relief for low- and middle-income families.
 - "By design or happenstance," AP reported, "the impact of promised economic proposals by House Democrats has been blunted by widespread leaks of President Ford's recession-fighting tax cut plan. Because headlines already have gone to the Ford initiative, the President would appear the winner in what some regarded as a race to see...who would get first credit with the public for coming to grips with the economic slide."
- The Rockefeller Commission to investigate the CIA holds its first meeting Monday, as its prospective executive director, David Belin, demands a "first rate, independent staff," and says he "will leave no stone unturned until I find the truth."
- AP says the investigators may get a glimpse into the super-secret 40 committee, despite strong opposition from Henry Kissinger.
- President Ford will appoint William T. Coleman Jr., a black Philadelphia lawyer, as Secretary of Transportation this week, Time Magazine says.
- The Pittsburgh Steelers beat the Minnesota Vikings 16-6, winning their first Superbowl title.



Sunday News

Rumsfeld, Marsh Key White House Powers

John Herbers, New York Times, Washington: Two men President Ford got to know and like when all three were in the House of Representatives -- Donald Rumsfeld and, to a lesser extent, John Marsh -- have emerged with major authority on the newly organized White House staff. They are in prime positions to influence the policies and direction of the Ford administration in the months ahead.

CIA Spying

Jim Squires and Harry Kelly, Chicago Tribune, Washington: CIA Director William Colby reportedly is willing to concede that his agency committed isolated cases of wrongdoing but rejects reports of wide-scale and systematic surveillance on Americans, including the late Rep. L. Mendel Rivers (D., S.C.) and former White House attorney J. Fred Buzhardt. But well-informed sources said the CIA used foreign police and intelligence units, as well as U.S. agents, to gather information on suspect Americans, which it funneled into a White House Justice Department counter-intelligence program. Responding to White House pressure in 1969 and 1970, the CIA became a phantom partner with the FBI, military intelligence, U.S. investigative agencies and major police departments in coordinated efforts aimed principally at leaders of civil disorders and antiwar demonstrations, the sources said.

Kelley Asks Patty Hearst to Surrender

Edward Kirkman, New York News: FBI Director Clarence Kelley, in an interview, called on Patricia Hearst to surrender to the FBI. "I don't want this to be misconstrued as a publicity play, but if Miss Hearst wants to surrender to me, I want her to do so," he said. "People find it hard to understand how a large organization like the FBI has been thwarted in its efforts to locate her," he said, admitting the agency's image has suffered from its failure to find her.

Soviets Encourage Small Gardens

James Jackson, Chicago Tribune, Moscow: The Communist Party newspaper Pravda has called for a major drive to produce small-scale garden and farmhouse implements that would raise the production and ease the burdens of those who till the country's private farm plots. A Pravda article amounts to an official admission that the tiny, private enterprise gardens are so vital to the economy that they must be improved and encouraged. Its author, a research scientist, said the state



should supply such equipment as small hand tractors, drying ovens, juice presses and improved cooking stoves to raise the efficiency of the plots.

From the Wires

Amnesty Program

Washington (UPI) -- A flood of applications for President Ford's amnesty program has hit the armed forces and clemency board with only three weeks left before the offer expires. But officials say the offer made to heal the wounds left by the Vietnam war is being taken up by few who deserted as a result of antiwar feelings. Most of the returnees give the same reasons for deserting that have been heard since the Roman legions -- problems with girlfriends, family strains, financial debts, emotional stress in the military environment.

B-1 Overruns Charged

Washington (AP) -- Design changes in the new B-1 bomber by the Air Force not only have downgraded the aircraft's potential but actually amount to an admission of at least \$127 million in cost overruns for the planes, Rep. Les Aspin (D, Wis.) said today. The \$127 million figure comes from a partial listing by the Air Force in communications with Aspin over "engineering trade-offs" -- design changes made to reduce the cost of the B-1 project, which has risen to \$18.6 billion.

More Senate CIA Hearings

Washington (UPI) -- Sen. John L. McClellan, D, Ark., announced Sunday that his Senate Appropriations Subcommittee on intelligence operations would summon CIA Director William E. Colby and his predecessor, Richard Helms, to a hearing Wednesday morning. The subcommittee was the fifth Congressional panel to schedule or consider scheduling investigations of charges that the intelligence agency has been spying on Americans.

Byrd Wants Gasoline Rationing

Washington (AP) -- Senate Democratic Whip Robert Byrd (D, W.Va.) called today for an immediate program of gasoline rationing to reduce the nation's money outflow. "I don't want to see gasoline rationing," Byrd said on ABC's "Issues and Answers," but he added that the country needs it to reduce usage and it ought to be implemented as soon as possible. "We've got to cut down on gasoline use," Byrd said, saying the nation cannot continue to have its current outflow of monetary reserves.



On President Ford, Byrd said he may be hurt by indecisiveness and urged the President to provide firm leadership for the nation. "Congress is not constitutionally structured to provide national leadership. It can provide action. But only the President can provide leadership," he said.

Air Force Vet Charges Unfairness

Cheyenne, Wyo. (UPI) -- A decorated Air Force veteran is being forced out of the service because he does not think the nation's nuclear missile launch system is fail-safe, his attorneys said Sunday. Attorney Clyde Amyx and Judge Advocate Capt. Gordon Edgin say they believe Maj. Harold Hering, 38, of Mount Carmel, Ill., was the first prospective missile officer to question the system. A three-man board of inquiry at Warren Air Force Base in Cheyenne recommended Saturday that Hering be dismissed from the service for "failure to meet the duty performance standards required of an officer." Hering's case now goes to Air Force Headquarters in Washington, D.C., and then to the Secretary of the Air Force.

Income Taxes

Washington (UPI) -- Internal Revenue Commissioner Donald C. Alexander said Sunday a record 66 million Americans will get income tax refunds averaging \$395 this year. "A combination of over-withholding and a sluggish economy with layoffs will produce greater refunds, somewhat larger refunds, than we would otherwise have," Alexander said. If President Ford's tentative proposal for a 10 per cent tax rebate is adopted, the average refund would be increased to about \$435.

Alexander also said President Nixon has not paid the back taxes he agreed to pay for 1969. The IRS ruled last April that Nixon owed \$432,787 in back taxes, including a 5 per cent negligence penalty, for the years 1969 through 1972, as well as interest for 1970-72.

Magruder Approves Nixon Pardon

Washington (UPI) -- Jeb Stuart Magruder said Sunday he agreed with President Ford's decision to grant Richard M. Nixon a full pardon. "I felt the penalties the former President had paid...were sufficient and that to have him go through the judicial process would have been very, very difficult. I think his illness would indicate that it would have been extremely traumatic experience for him," Magruder said. Magruder was interviewed on CBS-TV's "Face The Nation."



McCarthy Wants to Run

Washington (UPI) -- Former Minnesota Sen. Eugene McCarthy was asked Sunday to run for President as an independent and will accept under a pre-arranged plan, the Committee for a Constitutional Presidency said. McCarthy was expected to announce his candidacy formally during a speech at Madison, Wisconsin Sunday night.

Gallup Poll Shows Pessimism

Princeton, N.J. (AP) -- Sixty-one per cent of the American public predict a "troubled year with much international discord," according to a Gallup Poll international survey. The nine-nation study showed only the British are more pessimistic than Americans about chances for world peace in 1975, with 69 per cent of the Britons polled predicting trouble ahead.

Kissinger Reports Cyprus Progress

Washington (UPI) -- Henry A. Kissinger reported "some progress" toward achieving a political settlement on strife-torn Cyprus in a letter released Sunday, so no further Congressional gestures -- such as cutting off military aid to Turkey -- are needed. In response to a request from Sen. Edward M. Kennedy, D., Mass., Chairman of the Senate Subcommittee on Refugees, Kissinger said the Cyprus situation had progressed beyond the point where conciliatory gestures from Turkey were needed to get political discussions going among the parties. Kennedy released the letter from Kissinger, dated January 6.

Egypt/Iran Ask International Cooperation

Cairo, Egypt (AP) -- Egypt and Iran issued a joint call today for Israeli withdrawal from occupied Arab Lands and told the industrialized world not to blame inflation only on the rise in oil prices. A communique, released at the end of a five-day state visit to Egypt by Iran's Shah said: "The way to get out of the world economic crisis is through understanding and cooperation, not the threat and use of power, and through finding a kind of equilibrium between the prices of raw materials and prices of industrial goods." This was an indirect response to a recent statement by U.S. Secretary of State Henry Kissinger who said he could not rule out American intervention in the Middle East if a grave emergency threatened the industrialized world.



Rabasa To Meet Kissinger

Mexico City (UPI) -- Mexican Foreign Secretary Emilio Rabasa flew to Washington Sunday for talks on the new U.S. trade law which threatens to torpedo Henry A Kissinger's "new dialogue" with Latin America. Venezuela and Ecuador have said they would boycott the meeting of Foreign Ministers of the Organization of American States in Buenos Aires next March in protest against the bill. The OAS Ambassadors meet in Washington Friday to hear protests against the law from a growing number of Latin American nations. Rabasa, a close personal friend of Kissinger, is expected to take a conciliatory stand and seek clarifications that would smooth the way for the Buenos Aires meeting, government sources said. He is scheduled to meet Kissinger some time over the next three days.

Demonstrations in 20 Cities Called

Washington (UPI) -- The Rev. Jesse Jackson has called for mass demonstrations in Washington and some 20 other cities Jan. 15 to demand jobs for the Nation's unemployed. The Wednesday demonstration, set to coincide with Martin Luther King's birthday, will mark a "mass return to the streets" according to Jackson, who calls it the beginning of an effort to rebuild the civil rights coalition of the 1960s into an active force for social change.

Marcos Postpones Referendum

Manila (UPI) -- President Ferdinand E. Marcos announced Sunday that he was postponing until next month a nationwide referendum to determine whether Filipinos want him to continue his martial law regime. He also appealed for support in the forthcoming vote.



Weekend Commentary

Chicago Tribune, "Viet Nam: A Job for SEATO." We cannot abandon South Viet Nam over night; the present question of increasing military aid to Saigon must be answered, but the answer can only be temporary. We ought to let everybody know that our commitment is not unlimited and that we are not guaranteeing the freedom of Southeast Asia without the active cooperation of the other countries whose interests are at stake. Perhaps this would awaken the other SEATO countries to a sense of their own danger.

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Philadelphia Inquirer, "The War 'Option' Can Begin Its Own Deadly Momentum." The debate over Henry Kissinger's Prudent statement about possible U.S. force in the Mideast raises a worry it would be irresponsible to ignore. Public discussion of the "option" of war has just begun. As it gains more voices and more volume, it will be profoundly important that every responsible person bear in mind the dangers of momentum-driven history: Unleashed wars can make themselves, history tells us.

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Philadelphia Inquirer, "Welcome Back, Mr. Richardson." Elliott Richardson's nomination as U.S. Ambassador to Britain is one of President Ford's best. He is a man of talent and experience whose reputation was enhanced during the Watergate scandals. We welcome his return to public service.

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Baltimore Sun, "Common Front for Oil Consumers." Finance ministers of the major oil-consuming nations are under heavy obligation to settle their technical disputes promptly so they can present a common front to the oil producers. Otherwise, the ambitious time table drafted by Presidents Ford and Giscard d'Estaing could be thrown away.

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Philadelphia Bulletin, "Deep Look at Offshore Oil." It is time to reexamine the adequacy of the present regulatory role of the federal government in relation to offshore drilling, the speculative role of the oil industry and the passive role of the states. In light of the federal government's inadequate handling of offshore oil drilling elsewhere, vulnerable coastal states such as New Jersey and Delaware would be



derelict if they didn't seek to protect their interests before drilling actually begins.

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Baltimore Sun, "Lower Taxes, Higher Fuel Costs."
President Ford's "179-degree" conversion from tax-booster to tax-cutter may produce a sort of second honeymoon in his relations with Congress. Democrats have been urging economic stimulus for so long that they scarcely can fault the President for coming about so smartly and sailing in their direction. Rather, it is to Mr. Ford's credit that he refused to be bound by the policies he inherited from the Nixon Administration.

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Robert Roth, Philadelphia Bulletin, Washington: The criticism heaped on President Ford for failing to deal promptly and effectively with the sick economy and the energy crisis is understandable and to a large degree justified. But it can be overdone. Mr. Ford, who was given no blueprint when he took over the presidency, is entitled to our sympathy if not our approval. He can have both if now, even belatedly, he will act boldly and affirmatively to restore faith in him and, indeed, in ourselves.

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James Reston, New York Times, Washington: In his informal and disarming way of dealing with the press, President Ford exposes his problems and admits his dilemmas, uncertainties and weaknesses. In other words, he is an honest man, limited in many ways and looking for help, insisting that the remedies lie not with the government, but with the cooperation of the whole nation -- business, labor and all the rest. In short, no pretense, and the problem is that Washington hasn't yet adjusted to a President who admits honestly he doesn't have all the answers.

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TVTV, "Gerald Ford's America." In a half-hour public television show, the first of a series of four, the early months of the Ford Administration were explored, without analysis, but with a lot of imaginative editing. The program combined film (wide-angle) of the President's



appearance in Sioux City, Ia. on behalf of then Rep. Wylie Mayne (R., Ia.), the Portland, Ore. auction of two footballs, and presidential cufflinks, and the nationally-televised speech before the Future Farmers of America, with interviews with Sen. Hubert Humphrey (D., Minn.), John Ehrlichman, Robert Hartmann and the Stevens family of Hillsboro, Ore., who made energy-saving suggestions to the President in a letter. Hartmann (on film) asked to describe his function as a presidential adviser, said, "I guess I do what the President tells me to."

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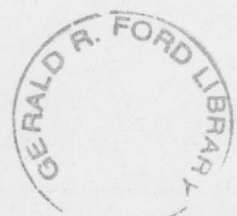
Agronsky and Company: On President Ford's reported new economic/energy proposals, Hugh Sidey said, "What you have is a President who has been in office five months admitting that his early proposals were a failure, that they did not work." George Will said a tax cut would be "basically a good move," but "no tax cut at this point is addressing the fundamental, structural problem of the economy which, I believe, is the runaway government spending." Peter Lisagor said, "I don't think that he will win if he comes out with a lot of largesse and doesn't have a program requiring some stern sacrifices."

On sales of 60 jet fighters to Saudi Arabia, in light of Henry Kissinger's statement about possible use of force in the Mideast, Martin Agronsky called it "rather sportsman-like," and Lisagor said, "It's a measure of hypocrisy of our whole policy toward the Mideast." George Will said it was a way for the U.S. to get "real leverage" by becoming the supplier to their armed forces.

On the CIA commission, Hugh Sidey, while praising the CIA's performance, said President Ford should have appointed a committee "with a little harder eye than this commission," to dispel charges that the White House might try to cover up for the CIA. He called it another example of "either the White House's lack of perception in the matter or their carelessness."

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Washington Week in Review: Peter Lisagor said the appointment of the CIA commission "is somewhat like putting the fox in charge of the chicken coop in many ways because these people have some kind of tenuous connections with the CIA and their endeavors.... Like all presidential commission



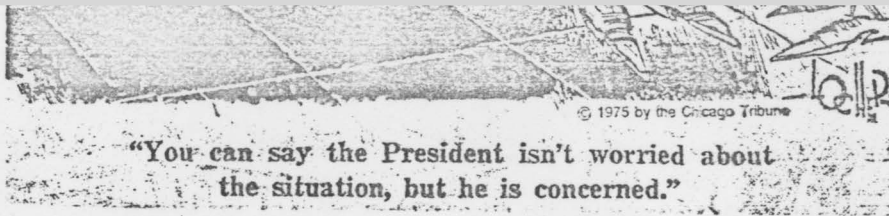
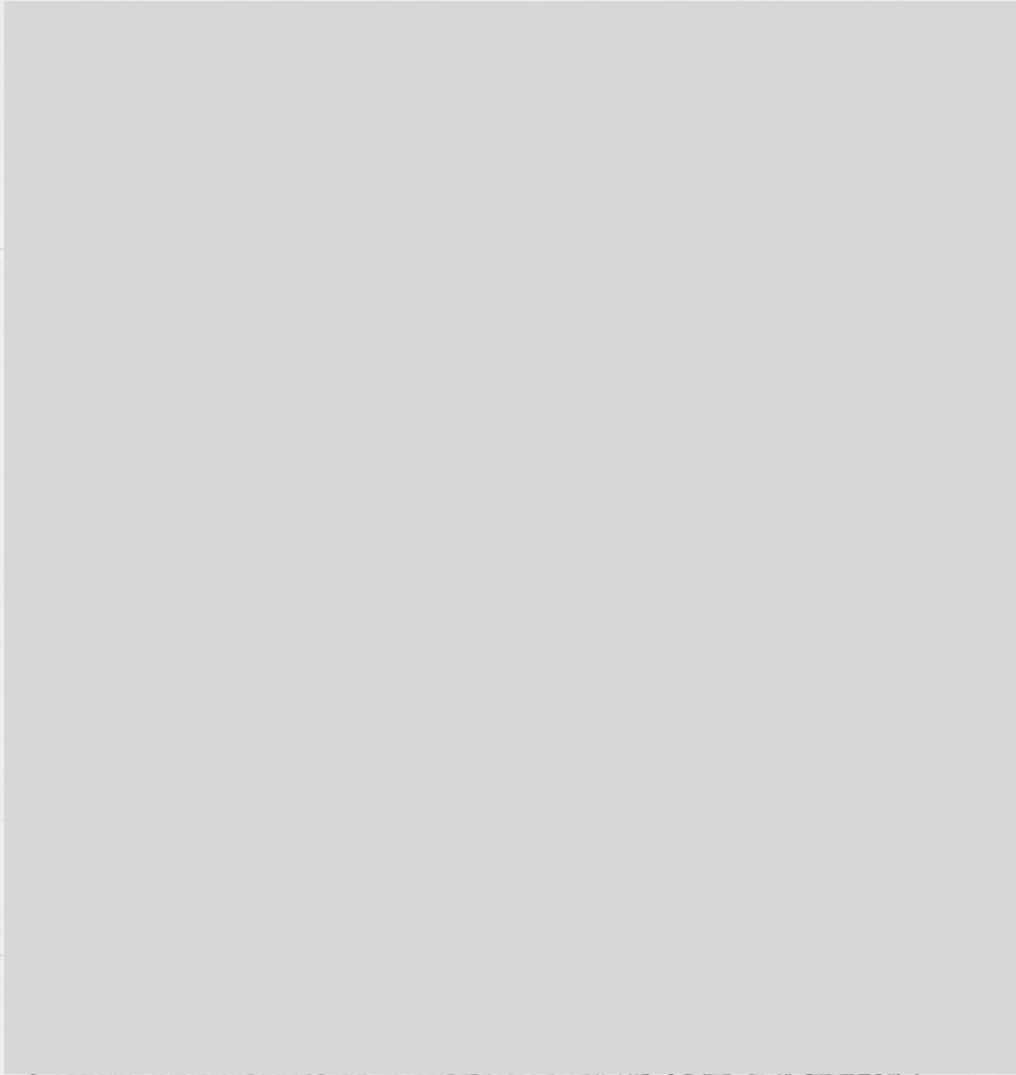
reports I suspect that this one will appear and then be put on the shelves to gather dust.

Charles Corddry said the American military establishment has "no interest" in returning to Vietnam, and that Saigon "will get through the fiscal year" without the additional American military aid it has requested.

Neil MacNeil said many congressional Democrats believe the United States economy is close to entering a depression.

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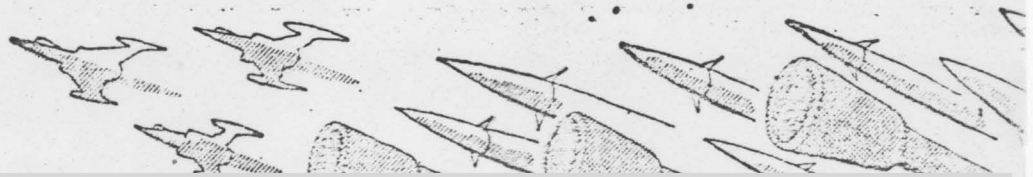


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"You can say the President isn't worried about
the situation, but he is concerned."

Chicago Tribune, 1/12/75





'You supply everything but the bodies.'

Philadelphia Inquirer, 1/12/75

