The original documents are located in Box C54, folder "Presidential Handwriting, 1/12/1977" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE

WASHINGTON

January 12, 1977

MEMORANDUM FOR

THE HONORABLE WILLIAM T. COLEMAN JR. Secretary of Transportation

The President reviewed your memorandum of January 6 concerning the new transatlantic air routes recommended by the CAB and made the following notation:

"Thanks for the letter which sets the full record straight."

James E. Connor

Secretary to the Cabinet

THE WHITE HOUSE WASHINGTON

Sec. Coleman, I hanks for the full letter which sets the full record straight.



THE SECRETARY OF TRANSPORTATION WASHINGTON, D.C. 20590

6 1977

MEMORANDUM FOR THE PRESIDENT:

A Washington Post editorial on January 2 endorsed your recent rejection of the new transatlantic air routes recommended by the CAB, but then called for the development of policy guidelines which in large measure were contained in the Statement of International Air Transportation Policy, which you issued last September.

I have responded to the Post with a letter, copy of which I enclose.

Enclosure



THE SECRETARY OF TRANSPORTATION WASHINGTON, D.C. 20590

JAN 6 1977

The Editor Washington Post Newspaper 1150 Fifteenth Street, N.W. Washington, D.C. 20071

Dear Sir:

Your editorial on January 2 commending President Ford's recent return to the CAB of the recommended new transatlantic air routes was a warm endorsement of the President's aviation policy. I was surprised, however, that you did not refer to other examples of President Ford's policy leadership in domestic and international aviation. In calling for "a massive reshaping of Government policy toward the entire industry, domestic and international," your editorial overlooked the important differences between domestic and international aviation and the substantial policy initiatives of this Administration in aviation. These include:

- -- the Aviation Act proposed by President Ford in October 1975, which will be improved and resubmitted to the Congress this month, providing for a significant reduction in Government regulation of domestic airline rates and services and lower cost travel alternatives to the consumer;
- -- the Statement of International Air Transportation Policy issued by President Ford in September 1976 which calls for increased low-cost travel opportunities, improved services where they can be operated profitably, a more rational and economically viable international route structure, and improved economic health for our air carriers, and
- -- aggressive implementation of the Fair Competitive Practices Act of 1974, which prohibits excessive charges and other discriminatory practices against U.S. flag carriers.

There is nothing in the Administrative Procedure Act that prevents the CAB from looking at the Transatlantic air route map broadly—as a system—so long as those issues are identified at the outset of the renewed proceeding President Ford has requested. And it is important that the CAB's quasi-judicial hearing process be used to test the factual assertions of the parties. Executive Branch agencies will be participants in that hearing process, following the dictates of the new "open" procedures spelled out by President Ford in an Executive Order last June.

Your editorial is right in calling for a reorganization of international aviation, but omits reference to the substantial policies and guidelines that are now available in the pursuit of this objective. In issuing the International Air Transportation Policy Statement last fall, President Ford directed that it "be used henceforth by officials of the Government in dealing with international aviation matters." Executive Branch agencies have begun this process of implementation, and the CAB will have its opportunity to do so in the course of the renewed transatlantic air route case.

Sincerely

William T. Coleman, Jr.

OFFICE OF THE SECRETARY OF TRANSPORTATION WASHINGTON, D.C. 20590

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Robert D. Linder