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PRESIDENT FORD

Press Conference

October 9, 1974

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MIDDLE EAST NEGOTIATIONS

- Q: Now that you have talked to the Arab leaders and with Israeli Prime Minister Rabin, are you optimistic about further movement on a Middle East settlement?
- A: We have had intensive consultations over the past eight weeks
 with leaders of all the governments which are parties to the
 Middle East peace negotiations. I would say today we have made
 progress in several important respects:
 - -- First, there is general agreement that the diplomatic process should continue and that the next stage of negotiations should begin as soon as possible.
 - -- Second, we have identified more clearly alternative ways in which the negotiations might proceed.
 - -- Third, there is general agreement that, however one begins
 the next stage -- for example, with Egypt and Israel, or
 Jordan and Israel -- that stage is part of a process which must
 ultimately involve all parties to the conflict.

We are still in the process of evolving a consensus about the next stage. Secretary Kissinger left last evening for a brief trip to the Middle East to explore further the views of the parties on the next steps in the negotiating process.

In any process it is natural that pieces fall into place as that process continues. I am encouraged by the progress made so far.

The important thing now is that movement continues in a process of step-by-step agreements to maintain the momentum toward a just and lasting peace in the Middle East.

MIDDLE EAST

- Q: Did you send Secretary of State Kissinger to the Middle East for another round of negotiations because progress toward an agreement is stalled?
- A: After our talks in depth with Israeli Prime Minister Rabin, and earlier meetings with Arab leaders and the Israeli Foreign Minister, Secretary Kissinger consulted further with representatives of Middle Eastern countries at the United Nations General Assembly on possible next steps in the negotiations. The parties involved felt it would be useful for Secretary Kissinger to make a short trip to the area to further clarify possible next steps in the negotiating process. I am encouraged by the progress made and I want to repeat: I am determined to do everything necessary to maintain the momentum toward peace begun with the disengagement agreements between Israel and Egypt, and Israel and Syria.

MIDDLE EAST - ISRAELI AID

- Q: Prime Minister Rabin reportedly asked for \$1.5 billion a year in military assistance for the next several years and said his trip achieved "concrete results." How did you respond to Israel's new military requests and was your response tied to Israeli concessions in the negotiations?
- A: I discussed all aspects of our relations with the Prime Minister.

 Military assistance is only one aspect of the long-standing close

 U.S. -Israeli relationship and is an expression of our commitment

 to the security and well-being of the State of Israel. We have affirmed that

 commitment many times. Israel's ability to defend itself is essential

 to stability and to achieving a just and lasting peace in the Middle East

 and I assured the Prime Minister that our military supply relationship

 will continue and that we will not bargain with the security of our

 friends. As for the precise financial implications, they remain

 under continuing review.

I also believe that a negotiated peace is essential to the stability and security of all nations in the Middle East. It should be noted that we also supply arms to some Arab countries to contribute to their sense of security making it possible for them to negotiate political differences. We are committed to maintaining and extending the progress that has been made.

PRO ISRAELI VOTING RECORD

- Q: Your past record indicates you have been a strong supporter of Israel. Do you feel that this popular identification impinges in any way on the attitude of the Arab countries toward your Administration?
- A: It is not correct to describe my position in international affairs as pro or anti a particular country or group of countries. I am pro peace with justice, as is American policy. My Administration will continue to expend all its efforts to the achievement of peace. The United States will continue to support its friends throughout the world while at the same time welcoming and encouraging the development and strengthening the closer cooperative ties with all nations.

MIDEAST NEGOTIATIONS AND OIL

- Q: How can you continue to play middleman in finding a peace settlement in the Middle East while at the same time attacking Arab oil producers for escalating oil prices which threaten to ruin us?
- A: I have been trying to address this very serious problem as a world problem -- one that faces the world with economic and financial disaster. We do not relate that problem to specific steps toward achieving peace in the Middle East, and we hope others do not either. Obtaining a just settlement of the Arab-Israeli conflict, which has produced four wars in a quarter century, is a vital national interest of the United States as well as of the countries in the area. We believe that negotiations on these two subjects should continue to be conducted separately.

MIDDLE EAST - AID TO THE ARABS

- Q: Do you support the proposed economic aid to the Middle East
 -- \$250 million for Egypt and \$100 million Special Requirement Fund (Syria) -- presently under Congressional consideration? What would happen if no aid Bill passed this year?
- A: I strongly support the proposed legislation authorizing the extension of economic assistance to several countries in the Middle East, including Israel and Egypt. The Middle East assistance package is of the greatest importance to the success of our efforts to help bring peace to that part of the world and to further develop the cooperative bilateral ties between the United States and nations of that area. Given the obvious interest for the United States as well as the countries of the area in peace and mutual good relations, at this critical period for the area, I intend to continue to work with the Congress in an effort to achieve an acceptable Foreign Assistance Bill including Middle East assistance by the end of this year.

MIDDLE EAST

- Q: Has the U.S. agreed to give military aid to Egypt? Does it intend to?
- A: As I told Egyptian Foreign Minister Fahmi last Saturday,
 we are prepared to be helpful in a wide range of economic
 and cultural areas on which the U.S.-Egyptian Joint Comission
 will focus. With regard to military assistance, there are no
 plans for this.

MIDDLE EAST

- Q: Will the U.S. respond to reported Palestinian requests for high level direct contacts with the U.S.?
- A. There have been no high level diplomatic contacts between

 American officials and representatives of Palestinian organizations,

 nor have such contacts been requested. However, we do recognize

 that the legitimate interests of the Palestinians must be an element

 of any just and lasting peace in the Middle East.

MIDDLE EAST - NUCLEAR ASSISTANCE

- Q: In light of Secretary Kissinger's remarks at the UN General Assembly, expressing concern about nuclear non-proliferation, how do you reconcile these concerns with our willingness to supply nuclear technology and materials to a volatile area such as the Middle East, including Egypt and Israel?
- A: As Secretary Kissinger indicated, we are involved in an intensive review of our non-proliferation objectives with a view to assuring that a threat to international peace will not arise because of the spread of nuclear technology and the weapons that might derive from it. For example, our proposals to cooperate with Egypt and Israel in the field of nuclear power include strict safeguards designed to prevent the misuse of U.S. -supplied assistance. Nuclear technology can make an important contribution to economic progress in the area and contribute in that way to the stability of the area. I can assure you that the United States opposes nuclear proliferation and is determined that our cooperation in the supply of nuclear power should not be diverted to any unintended uses. We must also keep in mind that the United States is not the only country in a position to supply nuclear technology and that other countries may not insist on equally vigorous safeguards.

INDIA's APPEAL FOR FOOD

- Q: Have the Indians asked us for food assistance and particularly PL 480 food? How will we respond?
- A: India has not specifically asked for food aid under PL 480.

 However, in the context of a UN appeal for food for the most seriously affected countries, India has inquired about food contributions and described to us India's overall food requirements. We are reviewing the food situation in India and other countries against our own available supplies.
- FYI: The Indians have their own political problems with asking directly for U.S. PL 480 food. Thus there is no formal request in that context but they have talked to us about their food needs, in the framework of the UNGA special appeal, and it is preferred that we acknowledge their interest in that framework as well.

ARMS TO PAKISTAN

- Q. Do you plan to lift the arms embargo against Pakstan?
- A. No decision has been made to revise our arms policy toward India and Pakistan, but of course our policy remains under continuing review.

FYI: Pakistan has been urging a change in our policy to permit cash sales. At present the U.S. has a limited embargo for both India and Pakistan -- that is our supplies are restricted to non-lethal end items, and spare parts for previously supplied lethal items and some ammunition on a case-by-case basis. Any supplies are for cash only.

May new CRA

CYPRUS SITUATION

You may wish to preface any remarks on Cyprus with the following general comment:

First, in addressing the situation on Cyprus, I want to express our great concern about the tragic refugee situation in the island which we hope will become a major concern of the parties involved, and the entire international community. Through the International Committee for the Red Cross we have already contributed over \$6 million in cash grants, food, tents, other relief supplies and airlift costs. We intend to continue that assistance as long as the need remains.

Second, let me reiterate the principles of our policy toward the Cyprus situation:

- -- The United States shall insist on the strict maintenance of the ceasefire on Cyprus.
- -- We will continue to support efforts to bring the parties to the negotiating table.
 - -- The United States will play any role requested by the parties.
- -- We believe it will be necessary for Turkey to display flexibility and a concern for Greek sensitivities, both in terms of territory and the size of military forces on the island.
- -- The United States greatly values the traditional friendship of Greece. We will use our influence in any negotiations to take into full account Greek honor and national dignity.

-- We are now and will remain in close touch with all the parties to assist in bringing about an equitable solution to Cyprus.

Will Require UpdoTe re: CRA

CYPRUS

Q: Why did the United States not act more forcefully to restrain the Turkish actions on Cyprus? What will the US do now to bring peace there?

A: This Administration has taken every reasonable and appropriate step in our efforts with all parties involved to end the fighting and bring about early negotiations for a constructive solution of the Cyprus problem. We urged both military restraint and diplomatic felxibility to take into account the national dignity and security needs of all parties. In our attempts to bring the parties to the negotiating table, the United States has been willing to take part in any role that accords with the wishes of the parties. We remain willing to do so and during the past several days Secretary Kissinger has met with the Foreign Ministers of both Greece and Turkey. The United States greatly values the friendship of Cyprus, Greece and Turkey, and it is in this context that we will continue to offer our assistance.

Will Require Update RG. CRA

US MILITARY ASSISTANCE TO TURKEY

- Q: Members of Congress and the press are charging that continuation of our military assistance to Turkey is illegal. Why have you failed to cut off that assistance and why is the Administration seeking the mildest possible Congressional action in this regard?
- A: We are presently engaged in efforts with all parties involved to bring about early negotiations to resolve the Cyprus problem; at the same time, we are striving to preserve our close ties to both Greece and Turkey as well as our vital security interests in those countries and in the Eastern Mediterranean.

A cut-off of military assistance to Turkey would have undercut these aims. The language now contained in the Continuing Resolution is consistent with the Administration's objectives and provides the flexibility needed to play a constructive role in assisting the parties to resolve the Cyprus problem.

U.S.-GREEK RELATIONS

- Q: Your Administration is being accused of "tilting" toward Turkey, being unfair to Greece, and thus seriously damaging our relations with that country. Could you comment on this?
- A: We are not "tilting" toward Turkey. We have been and will continue to be "tilting" toward the restoration of peace and stability in the Eastern Mediterranean.

The United States values immensely its historic friendship with Greece. We have the highest regard for Prime Minister Karamanlis and we wish him every success. We want to strengthen the ties which have united us historically with Greece, as well as to maintain the closest possible positive relations with the other states in the area.

TURKISH OPIUM

- Q: What is the present status of our discussions with the Turkish Government regarding their decision to resume the production of opium?
- A: Since the Turkish Government decided to authorize the resumption of the cultivation of the opium poppy, there has been high-level dialogue between our two governments on this issue. I took this dialogue up urgently when I assumed this office. We have made clear our concern at the possibility of a renewed flow of heroin made from Turkish opium to the United States and the vital need for effective controls. The Turkish Prime Minister has assured us of his government's strong determination to prevent this.

I am glad to say that the Turkish Government has decided in principle to adopt a method of harvesting the poppies which eliminates the extraction of the opium gum. This is very good news, since illegal diversion of opium gum has been the traditional means of supply for the illicit drug market. This new harvesting procedure, together with effective policing, should give us a very good chance of avoiding the reflow of heroin that has been of such concern.

EUROPE TRAVEL - MEETINGS

- Q: In recent days, you have met with Tanaka, Whitlam, and several other heads of government. Among those you have met, the leaders of the UK, France and West Germany are conspicuous by their absence. Do you have plans to meet with the leaders of these important U.S. allies? Do you plan a trip to Europe to meet with them in the near future?
- A: I attach very high priority to close and continuing consultations with our allies in Western Europe. And since becoming President, I have been in regular contact with a good number of these leaders. Over the past several days I have had discussions here in Washington with the Foreign Ministers of the UK,

 France and West Germany. And, as you know, President

 Leone of Italy was here on a state visit little more than a week ago and I will be meeting with French President Giscard d'Estaing in Martinique in December. I will continue these consultations with our friends and allies and look forward to personal discussions with other European Heads of Government at an early opportunity.

US-EUROPEAN RELATIONS

- Q: How do you assess the current state of US-European relations?
- Since I entered the Congress in 1949, I have believed that it is A: important for the United States to have a strong alliance with NATO and Western Europe. This policy has paid -- and continues to pay -sizable dividends to all members of the Alliance. I am pleased by the progress made in US-European relations in the last few months. The Atlantic Declaration signed in June marks a renewed spirit of unity and common purpose for the Alliance, and I will continue efforts to broaden and strengthen the partnership that document symbolizes. Further, I will continue the United States' whole hearted efforts to consult and to work with our European friends and allies to guarantee the best possible US-European relationship. In this regard, I have met with a number of West European Foreign Ministers in recent days and we have just had a State visit by President Leone of Italy. Thus, it should be evident that the Atlantic partnership remains fundamental to US foreign policy. We also continue to support European unity.

CSCE AND POSSIBLE SUMMIT MEETING

- Q: Do you envisage travelling to Europe this fall for a European summit meeting, perhaps in connection with a final meeting of the CSCE?
- A: I have no current plans to visit Europe. The CSCE has just reconvened. The United States and its allies have taken the position that the level at which the final meeting will take place will depend on the results achieved in the current stage of the conference.

U.S.-SOVIET RELATIONS

Q: Some say detente is stalled. How do you see future U.S.-Soviet relations?

A: I believe that the prospects for major progress are good insofar as they depend on our actions. I have informed the Soviet leaders that it is my intention to continue the course of Soviet-American relations charted in summit meetings in Moscow and Washington, in agreements reached by our two governments, and in the general spirit of cooperation that has been established. I am firmly committed to that course. My Administration will approach the many negotiations with the USSR already in progress or projected in coming weeks with utmost seriousness and determination to achieve concrete and lasting results -- results in the best interests of the United States and in the interests of improved international stability. I raised just these points in my recent meetings with Soviet Foreign Minister Gromyko. Personally, I am hopeful that the Soviet Union shares these objectives and will cooperate in this approach.

DETENTE

- Q. Detente with the Soviet Union has become a controversial issue, both in the press and on the Hill. Could you comment on the proposition that the Soviets have made real gains under detente while we have gotten little in return?
- A: I believe that we have negotiated carefully and that the agreements reached with the Soviet Union have fully safeguarded and advanced our national interests. And, I believe that any balance sheet would show that the Soviets have not gained at our expense. At the more general level, I see no alternative to detente as we have been pursuing it. Striking progress has been made in the relaxation of international tensions. Continued effort to engage the Soviets in a relationship characterized by mutual restraint and accommodation is an absolute imperative in the present world situation. Equally imperative, of course, are the needs to maintain a strong defense posture and close ties with our traditional friends. The task before us is to manage US-Soviet relations in a way that will protect our own security and other interests, benefit other nations of the world, progressively deepen the commitment of the USSR to mutual restraint and accommodation as the governing principles of our relations and, generally increase international stability.

SOVIET GRAIN PURCHASES

- Q: Are you concerned that your action to cancel the major grain sales to the Soviet Union might hurt U.S.-Soviet relations generally?
- A: Last week's events were primarily a problem of timing with regard to these purchases. We continue to value the Soviet

 Union as a major trading partner. Secretary Simon will be in Moscow later this week and will be discussing their needs in relation to the levels of grain exports we can make consistent with domestic price levels and our other export obligations.

 I am confident that this will be worked out on a constructive and cooperative basis.

SALT

- Q: Reports say you have assured the Soviet leaders of extensive efforts to further arms limitation negotiations. Other reports say the U.S. has no agreed SALT position. Where do you plan to go next on SALT?
- A: In a message to General Secretary Brezhnev, I reaffirmed our commitment to further substantive negotiations in the limitation of strategic arms. The SALT negotiations resumed in Geneva on September 18. As agreed at the recent Moscow Summit, this round of negotiations is focusing on an agreement covering the period until 1985. The U.S. Delegation in Geneva is putting forth the agreed U.S. position on the framework for the 1985 agreement. Dr. Kissinger will also take up this subject when he visits Moscow at the end of this month.

TRADE BILL PROSPECTS

- Q: How do you assess the prospects for achieving a trade bill this year? Can you reach a compromise with Senator Jackson on MFN for the Soviet Union?
- A: In my address to the Congress on August 12, I attached particular importance to passage of the Trade Reform Bill.

 With regard to Title IV, trade with Communist countries, I am aware of sentiment in the Congress for linking trade concessions to assurances of freer emigration from the Soviet Union. We have been working with members of the Congress to reach a mutually acceptable formula. I believe that with a spirit of compromise and cooperation we can move toward a bill that will find general support in the Congress and will serve the national interest.

US-JAPAN RELATIONS

- Q: How would you describe our relationship with Japan as you prepare for your first trip overseas as President?
- A: I told Prime Minister Tanaka that I consider our relationship with Japan of vital importance to the United States. I am happy to say that it is probably closer now than it has ever been. Japan's economic well-being as well as her security are closely linked with our own. Japan has in the past few years been shaping a more important role for herself in the world arena, one which accepts increasing responsibility for the development of her Asian neighbors despite serious new economic burdens.

We shall continue to work closely with Japan. My forthcoming visit to Japan -- the first by any American President -- best symbolizes this new era in our relations and I look forward to discussing additional areas of US-Japanese cooperation in the common challenges we face.

PRESIDENTIAL TRIP TO KOREA

- Q: How do you justify your visit to Korea in light of the repressive regime governing that country?
- A: In planning my trip to Japan, I gave careful consideration to an invitation from the Korean Government. You will recall that Presidents Eisenhower and Johnson visited Korea. Korea is one of our long-standing allies, and we have important security interests in the Korean peninsula. We still maintain a sizeable military presence there. I took all of these factors, including criticism of recent Korean internal political policies, into careful account and decided that, on balance, it was in our national interest to accept the Korean invitation.

US AID FOR THE REPUBLIC OF KOREA

- Q: Do you favor continuing US military and economic aid to the Park regime in Korea, which uses US support to strengthen its repression of human rights?
- A: We have made clear to the Korean government our views on the question of human rights, and shall continue to do so. But whatever may be our disagreements, Korea is, some twenty years after a devastating communist invasion and war, a viable country. US aid has lessened substantially, and grant aid is continuing to decline. But the existence of an independent, self-reliant Republic of Korea is a key element of our efforts to assure the stability and security of all of Northeast Asia. We consider these interests of paramount importance. I believe the prevention of war on the Korean peninsula is the first and most important step toward making possible conditions in which free political and social institutions can develop. Withholding essential economic and military assistance could well have the opposite effect.
- FYI: The Foreign Relations Committee report on the Foreign

 Assistance Act recommends reducing economic and military

 aid to the ROK by stages and eliminating it entirely in 1977.

PEOPLE'S REPUBLIC OF CHINA

- Q. There has been no apparent movement in U.S.-PRC relations in the past year. When do you foresee full normalization and establishment of diplomatic relations with the PRC?
- A. I disagree with the view there has been no movement. The United States has made very rapid progress since 1971 in establishing contact with a country from which we had been completely isolated for two decades. We have set up Liaison Offices in Peking and Washington. Our trade with the PRC has grown from about 5 million dollars in 1971 to more than a billion dollars this year. We continue to have an active cultural and scientific exchange program with the Chinese. A Congressional delegation, headed by Senator Fulbright, just returned from a two-week tour of China. I expect that Secretary Kissinger will be visiting Peking later this year or early next year. Moreover, as I indicated in my address to Congress on August 12, I remain committed to the course of improving America's relations with the People's Republic of China as charted in the Shanghai Communique. We look forward to continuing progress in strengthening those relations in the months and years ahead.

THE U.S. ROLE IN INDOCHINA

- Q: Many in Congress oppose further U.S. aid to Vietnam, and Congress has severely cut U.S. assistance programs there. What do you see as the proper U.S. role in Indochina?
- The proper American role in Vietnam today -- as it has been A: throughout our involvement -- is to achieve a reasonable opportunity for the Vietnamese people to decide their future for themselves. I believe that the Paris agreements -- if respected -- establish a satisfactory framework for that process to take place. Our military aid, extended in accordance with the Paris agreements, provides the minimal level of support necessary to maintain the security of South Vietnam. Our economic aid is a key ingredient in rebuilding the economic infrastructure of Vietnam and in getting on with the vital process of nation-building. Americans have never broken faith with an ally before and I don't intend to start now. The levels of military and economic aid so far voted by Congressional committees are clearly inadequate. Heavy cuts will jeopardize all that has been achieved after years of struggle. I urge the Congress to make available what is needed.

A NEW HANOI OFFENSIVE

Q: Do you anticipate a new Hanoi offensive against South Vietnam? Will U.S. forces have to help defend South Vietnam?

A: We do not know if they will launch another country-wide offensive as they did in 1968 and 1972. We do know that the North Vietnamese have sent over 160,000 men and massive quantities of military equipment into South Vietnam over the last year and a half. A number of heavy attacks have recently been launched. Fortunately, the spirit and capability of the South Vietnamese armed forces is high and they have been able to contain these attacks and to retake many positions that had been overrun.

I would not try to predict in advance what the U.S. would do in the event of a North Vietnamese massive offensive against South Vietnam. Any action would, of course, be fully in accordance with our Constitutional process.

FYI: We are trying to keep some uncertainty in Hanoi's mind as to our ultimate intentions.

AID CUTOFF TO SOUTH VIETNAM

- Q: What is wrong with the approach of cutting our military assistance to force President Thieu to honor the ceasefire agreement and achieve some type of political accommodation with the Communists?
- A: First of all, it is the Communist side, not the GVN, that is refusing to implement the ceasefire:
 - -- The Viet Cong and the North Vietnamese have refused contribute to the International Commission on Control and Supervision (ICCS) budget and have never assisted the ICCS in achieving a ceasefire.
 - -- They have walked out of the talks in Paris.
 - -- They have boycotted the talks in Saigon for over two months.
 - -- They have refused to let us search for any of our MIAs.

South Vietnam has repeatedly called for a complete implementation of all political provisions of the Agreement with a fixed date for elections. The Communist side has refused even to discuss these proposals.

If we force the GVN to accommodate the Communists while they (the Communists) are blatantly violating the Agreement, it will undermine the political stability of the GVN side and could lead to a Communist takeover.

AID TO SOUTH VIETNAM

- Q: A September 20 story in the <u>Washington Star</u> states that military aid to Vietnam at the levels voted in the Congress is sufficient to prosecute the war. What do you think will be the net effect on the situation in Vietnam of this reduced level of military aid and of the proposed cuts?
- A: I am very disappointed with the moves in Congress to cut military assistance drastically. In my meetings with the bipartisan leadership, I have asked the Congress to reconsider its actions. On the military side, we have asked for minimum amounts to assure adequate replacement of equipment on a one-for-one basis, as provided in the Paris Agreement, and to cope with increased levels of fighting. The amount of assistance recently approved by both Houses is clearly not sufficient to allow South Vietnam to adequately defend itself. I intend to discuss with the leaders of the Congress how we can provide the additional assistance necessary.

Our request for economic aid has thus far been cut about in half by Congressional action. Such an amount would fail even to maintain the status quo. We would hope to be able to help in the vital reconstruction process and to give South Vietnam an opportunity to build a viable, self-sufficient economy. Over the long run, that would mean less American aid.

CAMBODIA

Question:

Is there any hope of a settlement in Cambodia?

Answer:

We hope so. The other side has failed in its efforts to take Cambodia by military force. I hope that they will soon realize that the time has come for negotiations.

We believe negotiations should take place. The war has gone on too long. We think it is time for the Cambodians to get together to resolve their differences. I would point out that the Cambodian government has recently called for unconditional negotiations -- the United States fully supports that move.

However, unless and until there is a settlement, we will continue to support and assist our friends.

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LATIN AMERICA

Q: Will you comment on U.S. policy towards Latin America?

Over the past year the U.S. has given renewed attention A: to its relations with the countries of Latin America and the Caribbean. Together we have been working to broaden and deepen our relations and important progress has been made toward establishing a frank, open dialogue and regular consultations on a broad range of subjects. Periodic conferences of the Foreign Ministers have been established to facilitate this development. We have also made significant progress toward resolving some longstanding bilateral problems in the region. There are, of course, problems remaining, but I am sure with a continuing spirit of mutual understanding and cooperation, our efforts to resolve them and to further strengthen Hemispheric relations will be productive. I assure you the efforts of my Administration will be directed toward this end.

CHILE - COVERT OPERATIONS - 40 COMMITTEE

- Q: You've expressed your support for CIA and covert operations such as those in Chile. Do you intend to "destabilize" other governments in the future? Will the 40 Committee continue to operate?
- A: I have reviewed the previous Administration's activities with regard to Chile and am satisfied that what was done was properly authorized. I am also satisfied that the U.S. had no role in the coup in Chile; we did not encourage or support the coup. Our efforts were designed to support the democratic process in Chile and to preserve media outlets. So while I reject your characterization of what the government did in Chile, there may be occasions in the future, as there have been in the past, where the national interest may require that some action be taken in support of our foreign policy which it would not be in the national interest to announce publicly or to identify as an official U.S. action.

The 40 Committee is a component of the NSC system. It provides a forum to review and evaluate sensitive operations. I can assure you -- and I have discussed this with the leaders of Congress and CIA Director Colby -- that all such actions are subject to critical review and careful control through the NSC system and approved by me. They are taken under laws approved by the Congress, using funds provided by the Congress, and are reported to the committees designated by the Congress to review these operations.

BRAZIL TORTURE

- Q: Would you comment on reports that a U.S. citizen, Fred Morris, who is under detention by Brazilian authorities has been tortured? What does the U.S. Government plan to do about this?
- A: Our Embassy in Brazil has raised this case with the Brazilian

 Government. Our Ambassador delivered a strong protest of the

 treatment of Mr. Morris and of the Brazilian authorities' refusal

 to allow access to him by our consular officer in Recife. Such

 access, I understand, is now being permitted on a regular basis.

 I assure you the Brazilian Government has been made fully aware

 of our position on this subject and we are continuing to follow the

 case closely.
- [FYI: Mr. Fred Morris, a former Methodist minister and a Time stringer has said that local Brazilian military authorities in Recife tortured him. Our Consul reported that Morris' physical condition when he first met with Morris last Friday gives some credence to Morris' account. Our interest is in seeing that Morris is treated properly, is given medical treatment, and that our officials have access to him. Following our protest to Government officials in Brasilia, these three objectives have been met. We are not addressing ourselves to the merits of the Brazilian allegations against Morris-he is being held on suspicion of engaging in or encouraging subversive actions.]

CUBA

- Q: Senators Javits and Pell say that Castro is interested in better relations with the United States. What is your reaction to such signals from Cuba indicating its desire for improved U.S.-Cuban relations?
- A Of course we always look for indications of Cuba's desire to establish a peaceful and constructive relationship with the United States and other countries of the hemisphere. We have no solid evidence at this time of a sincere desire on the part of the Cubans for such a relationship.

CUBA POLICY

- Q: The OAS has begun consideration on possible lifting of the sanctions against Cuba. Will the U.S. abide by a decision of the OAS to end sanctions against Cuba?
- A: Since I last spoke on this subject, a resolution has been introduced and approved in the OAS calling for consideration of the Cuba sanctions question. There will be a meeting of the Rio Treaty members in Quito in November to discuss the issue. During this OAS process, we will be consulting with other governments in the Hemisphere regarding their views. Should the members of that Organization decide that the conditions which gave rise to the Cuba resolutions no longer obtain, than that would certainly be one element we would weigh in any considerations of our own policies.

CUBA - MILITARY TIES WITH THE SOVIET UNION

Q: Senator Buckley says the U.S. should insist that Cuba break its military ties with the Soviet Union before the U.S. considers restoring diplomatic relations with Cuba. What is your comment on this?

A: It has long been the U.S. position that we would be prepared to consider a change in its policy toward Cuba if and when Cuba changes its policies. One element which we would have to consider is that of Cuba's extra-hemispheric military ties.

I want to point out, however, that there are a number of other complex and difficult issues which would have to be discussed in connection with any Cuban interest in the establishment of a peaceful and constructive relationship with the U.S. and other countries of the Hemisphere. We have no solid evidence at this time of a sincere desire on the part of the Cubans for such a relationship.

PANAMA CANAL NEGOTIATIONS

QUESTION: Do you support the current Panama Canal treaty negotiations?

SUGGESTED RESPONSE: Yes, ten years ago the United States agreed to negotiate new treaty arrangements which would establish a more modern relationship with Panama. This decision was made by President Johnson after consulting with ex-Presidents Truman and Eisenhower. President Nixon renewed the commitment. And I support it as a bi-partisan attempt to work out a new relationship that is acceptable to Panama while better protecting our interests, economic and strategic.

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AFRICA

- Q: There continues to be criticism that your Administration is ignoring Africa. What will be your Administration's policy toward Africa?
- A: African interests will be taken seriously in the foreign policy of my Administration. Our goal is to increase our understanding of the problems and aspirations of Africa and to find new ways in which we can be helpful. As a first step, and at my request, Secretary Kissinger met with the Ambassadors of the Black African nations the day after my inauguration and he emphasized our desire to look more closely at their concerns. I met with the Black Caucus August 21 and discussed with them United States policy toward Africa and toward the member states of the Organization of African Unity.

On Friday, I will meet with President Siad [See-AHD] of Somalia, who is the current President of the Organization of African Unity to discuss ways of strengthening American ties with Africa.

FOREIGN ASSISTANCE LEGISLATION

- Q: The Administration's Foreign Assistance legislation seems to be in deep trouble, yet you are insisting on no restrictive amendments and higher funding levels. Why?
- A: I have two areas of serious disagreement with the foreign aid legislation. The funding levels are much lower than we requested and will seriously undercut our foreign policy around the world.

 I am particularly concerned with the Indochina levels, which are not adequate to support the military and economic needs of friendly governments. Moreover, the Senate bill which was returned to Committee contained a number of amendments which would severely tie the hands of the President in conducting foreign policy in several vital areas. Some, for example, would make it impossible for me to adequately respond to cricis situations.

I intend to give close attention to Foreign Aid Legislation in the hope that a mutually acceptable bill can be voted out of Congress shortly after the election recess.

OIL PRICES

- Q: Last week both you and Secretary Kissinger called oil prices a world peril and sounded threatening. What actions does the US plan to take?
- A: The very serious problems caused by high oil prices are receiving the priority attention of this Administration. Most immediately, we must intensify our efforts to conserve energy and move ahead rapidly under Project Independence to develop alternative sources of energy to reduce our dependence on imported oil. We and the other oil importing countries simply cannot afford to permit our oil import bill to continue to rise, and we must all limit our use of oil. In order to be most effective, these conservation policies must be carried out in close cooperation with other consuming countries. We are now working with a number of other countries to develop a framework for this cooperation.

At the same time, we seek to improve our cooperative dialogue with the oil producing countries. It is a misreading of our intentions to say the United States is seeking a confrontation: we are calling for a recognition of the interdependence of the modern world and the need for cooperation. I am confident that the oil producers will realize that their own economic well-being is intimately linked to the economic health of the rest of the world and that they will conduct their oil price and production policies accordingly.

OIL PRICES - MILITARY ACTION

- Q: Many reports saw a veiled threat in your speech on energy.

 Secretary Schlesinger quickly ruled out military action to solve the problem of rising oil prices. Do you also rule out military action as a possible solution?
- A: The objective of my speech was to emphasize the need for cooperation instead of confrontation. We do not contemplate the drastic actions some people believed they saw threatened in my words.

OIL PRICES

- Q: Were your tough speeches a reaction to the decision of OPEC oil producing countries to raise prices again? What is your answer to the Arab claim that oil prices are not the cause of inflation?
- A: The decision of major oil producing states to yet again raise oil prices was an unwelcome and unjustified action. It will only further complicate and worsen the serious economic and financial problems faced by the world and particularly by poor countries. The statement by the oil producers that the latest increase in prices is because of inflation turns the issue on its head. The continued increase in oil prices is a major cause of inflation in the world today. Oil producers are thus directly contributing to a continuing dangerous inflationary spiral and have placed a great burden on the international monetary system.

On the other hand, lower oil prices, effective reinvestment of oil incomes and expanded international trade will serve to strengthen the world economy. We have not yet seen a decline in oil prices, but we believe mutual understanding and cooperation between producers and consumers and continued efforts at conservation can lead to progress. We are also working

within the international financial system to provide a means to make the oil income surpluses available to nations whose balance of payments are seriously threatened. We also expect the trade reform act to provide opportunities for expanded world trade by enabling the US to work with others to improve the international trading system and lower artificial barriers to trade.

There is still another measure which is essential. That is
the avoidance of nationalistic policies whereby each nation
attempts to protect itself at the expense of others. The international economy can be strengthened only through international
cooperation, with each nation accepting its share of the burden
in meeting our common difficulties.

FYI: All OPEC countries except Saudi Arabia have decided to increase government take on oil prices by 33 cents, from \$9.41 to \$9.74. They contend that this increase is intended to come out of oil company profits and that prices to consumers need not rise. It is highly likely however that most, if not all, of this increase will be passed on to consumers. It is estimated that the price increase will bring another \$3 billion in revenue annually to the producers applying the price hike.

We do not want to single out Saudi Arabia for special praise for two reasons: (a) the Saudis are sensitive to charges by others of being an American tool, and (b) the Saudis through their negotiations with Aramco are increasing prices in other ways.

HUMAN RIGHTS AND FOREIGN POLICY

- Q: For the past several years U.S. foreign policy has been attacked for being insensitive to human rights issues in Greece, Korea, Chile and elsewhere. Do you contemplate any change in this approach to policy?
- As Americans, we can never acquiesce in the suppression of human liberties. Many Americans have fought and died to preserve freedom in foreign lands. We will continue to adhere firmly to the human principles and rights stated in the United Nations Declaration on Human Rights -- not only in international forums, but also in our exchanges with other governments.

We want people everywhere to be free and we will use our influence to encourage respect for human rights, but we cannot refuse to deal with other states on grounds that they do not meet our standards.

I assure you we will continue to work for human rights in the manner we judge to be most effective in enhancing those rights.

DEFENSE BUDGET

- Q: What is your reaction to the Congressional cuts in the FY 1975 Defense Appropriations Bill?
- A: Although I am disappointed at the cuts in the Defense Appropriations Bill, I fully recognize the effort made by the House-Senate Conference Committee to arrive at a compromise on the FY 1975 Defense Budget which was acceptable to both houses and which is sufficient for our national needs.

Peace can only be built on the clear ability and will of the American people to protect our interests whenever they may be threatened. I want to emphasize that our interests are best served by maintaining a strong national defense.

200-MILE FISHERIES LEGISLATION

- Q: What is your position on efforts in the Congress to pass legislation extending unilateral U.S. fisheries jurisdiction to 200 miles?
- A: Such legislation would undercut U.S. efforts to work out man's use of the oceans (including fishing rights) in international negotiations, specifically, the UN Law of the Sea Conference.

 A unilateral action by the United States at this time could prompt other nations to make unilateral claims of their own without waiting for the outcome of negotiations -- and such claims would not be in our best interests.

CASE AMENDMENT

- Q: How do you feel about Congressional amendments, like the Case Amendment, which aims at compelling the Executive Branch to obtain explicit Congressional approval of basing agreements overseas?
- A: The Case Amendment cuts too deeply into the constitutional power of the President to conduct foreign policy and would upset the balance of Executive and Legislative powers. I strongly agree that Congress must be kept fully informed on basing and other overseas agreements. Congressional review is essential but an absolute veto on the power of the Executive to make defense and foreign agreements is unacceptable.