

The original documents are located in Box 42, folder “11/9/74 - Thomas Interview (cancelled) (2)” of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Ron Nessen donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

E

COMMUNITY DEVELOPMENT

Question:

What is being done to rebuild the inner city?

Answer:

For the first time the new Housing and Community Development Act of 1974 gives Federal money to cities based on a needs formula. Locally elected officials will make the decisions as to how this money will be spent. Federal bureaucrats in Washington, D. C. will no longer be establishing local priorities. Additionally, the six-year life of this bill will enable your Mayor to better manage the Federal monies received in that he will know the amount of money to be received over a six-year period which is a vast improvement over the present system which forces communities to wait for annual Congressional appropriations.

Background:

The Act authorizes the following total entitlement and/or hold-harmless funding (whichever is larger) for municipalities and urban counties: \$2.5 billion in FY 75; \$2.95 billion in FY 76; \$2.95 billion in FY 77.

In the past, funds were allocated to cities on an application basis through seven categorical programs. Each application was considered separately and the city with the best grantsmanship won.

Under the 1974 legislation, the amount of money for each city of over 50,000 people is determined through a needs formula. The formula weighs the factors of poverty, population and overcrowding. As the formula basis eliminates grantsmanship, certain cities will receive decreased overall funds. To prevent hardships, there is a three year "hold-harmless" provision which prevents decreased allocations for that period.

With the block grant approach each city has virtual discretion as to how its annual entitlement is to be spent. A city may chose to spend its funds for items covered under the old categorical programs or it may chose to spend that money for such noncategorical programs, as it sees fit.

There is one requirement which bears mentioning. Under the Housing Assistance Plan each development proposal is required to contain a housing component. This is designed to alleviate the critical housing shortages found in most inner urban areas.

TRH 11/7/74

Question:

What is being done for the depressed housing industry?

Answer:

At the Presummit meeting on the housing and construction industry in Atlanta, and at the Full Summit meeting, a number of suggestions were put forth to assist the housing industry. Almost all segments of the industry urged the implementation of a "conventional tandem plan".

On October 8, in my Economic Address, I asked the Congress to enact legislation to make most home mortgages eligible for purchase by an agency of the Federal Government.

On October 18, 1974, just ten days after that request, I signed into law the Emergency Home Purchase Assistance Act of 1974, S. 3979, authorizing GNMA to acquire on a temporary basis conventional mortgages (non FHA-VA), pumping \$3 billion into the housing industry which will finance approximately 100,000 new homes. This legislation will, in my judgment, materially help the housing industry turn the corner by providing mortgage credit which prior to this legislation was scarce or nonexistent.

Background:

Over the past 23 months, housing starts have dropped from 2.51 million units to 1.12 million. Housing starts in September edged up a fraction to a seasonally adjusted annual rate of 1,120,000 units from 1,115,000 in August, the Commerce Department estimated. But the September rate was the second lowest in more than 4-1/2 years and was off nearly 40% from the year-earlier pace of 1,844,000 units.

To make matters worse, the pace of new building permits, an indicator of future housing construction, hit an 8-1/2 year low last month. The 14,000 localities requiring permits issued them at a seasonally adjusted annual rate of 825,000 units, down 8% from August's 900,000 and 50% below the year-earlier 1,656,000. The September rate was the lowest since December 1966, when the annual rate was 743,000 units.

Unemployment in the construction industry is 12.5% and climbing, with over a half million construction workers now unemployed. Many home builders are in severe financial difficulty.

Question:

Why don't you provide a tax exemption for interest on savings accounts in order to encourage further investment dollars for the housing industry?

Answer:

Various proposals have been made to exempt interest on savings accounts. We have not supported these proposals because they are too costly and of questionable benefit to the housing industry. The proposed tax exemption:

- could severely distort the credit market;
- would not substantially increase savings;
- would not substantially increase the availability of money for housing.

Background:

To attract savings through tax exempt interest would have the following adverse results:

- It would initially decrease the aggregate amount of savings. A \$750 exemption for interest on time and savings deposits would cost about \$2 billion, which the government would have to borrow in the private market to make up. That borrowing reduces the amount of savings available for private investment.
- It would not substantially increase savings deposits because the tax exemption would not be a major benefit to most taxpayers. For a taxpayer in the 25% bracket, exemption would make a 5.25% account equivalent to a 7% taxable account, which is still considerably below the rates available elsewhere. Only high-bracket taxpayers would get major benefits.
- Passbook savings may increase some, but total savings will not increase. The principal effect would be some switching. It doesn't operate as an incentive for new savings because it doesn't reward the increase in savings.
- It would create new distortions in the credit and investment markets.

SUBSIDIZED HOUSING

Question:

What are you doing to house poor people?

Answer:

The new Housing and Community Development Act of 1974, which I signed on August 22, provides additional contract authority, deeper subsidy and cost benefits which will result in better housing for the low and moderate income family as well as for the elderly. The Act also contains authority to expand the cash assistance program and urban homesteading. The old subsidized programs finally priced themselves out of the reach of the people who most needed their assistance.

Background:

The revised Section 23 in conjunction with Section 8 of the new Act establishes a new program of housing assistance for lower income families. The Section 8 program of housing assistance for lower-income families authorizes the Federal government to pay the difference between (1) the fair market rent and (2) the portion of rent -- between 15 and 25% of his gross income -- affordable by the tenant. This program would apply to 400,000 units of existing, substantially rehabilitated or new housing and has the following advantages over the old subsidized programs:

-- Costs can be better controlled through the use of market-determined rents, competition between private developers and local housing authorities, payments only for units which are occupied and a twenty-year subsidy term.

-- The lowest-income families can be reached since the formula will always pay the difference between what the family can afford and what it costs to rent the unit.

The Act also authorizes HUD to transfer HUD-held properties to communities for use in urban homesteading programs.

F

GOVERNORS

Question:

Mr. President: It has been rumored that you are planning to meet with groups of Governors in the near future on legislative issues. Can you tell us anything about your plans?

Answer:

Yes, I am. The first such meeting will be of the Governors of the coastal states and Secretary Morton to discuss development of the Outer Continental Shelf energy resources.

We, of course, want to encourage further development of our domestic supply of oil and gas and the program for development will be discussed with the Governors of those states on November 13.

Further, we are having meetings with Governors, State Legislators, Mayors and County Officials in consultation on the Budget for FY 76 and other specific legislative programs such as Revenue Sharing.

I see such meetings being held on a continuing basis.

JHF-11/7/74

BASE CLOSURES

Question:

Does your Administration propose any further base closings for the Department of Defense in fiscal year 1975 to help achieve budget outlay targets?

Answer:

No further base closures are planned in the FY 75 budget. However, under the prior Administration, Secretary Schlesinger was directed to review opportunities for base closures in the light of current economic conditions. The Department of Defense is presently engaged in this review. The Defense Department will always be searching for ways to provide for economy and to increase the efficiency of our defense operation.

JHF-11/7/74

DOMESTIC GOALS

Question:

What are some of your key domestic goals?

Answer:

I would say simply to WIN the battle against inflation.

Background:

We obviously have urgent needs in several areas such as:

- Food
- Energy
- Environment
- Transportation
- Housing

But, real progress in these areas will depend on how well we fight inflation.

JHF-11/7/74

GOVERNORS AND MAYORS

Question:

How have State and local elected officials reacted to your domestic policy positions?

Answer:

In my first weeks as President, I have met with groups of Governors, Mayors, County Officials and State Legislators and numerous others individually. I will have a personal and continuing relationship with State and local officials, as will my staff.

I find that there is broad agreement with and support for our domestic legislative goals among State and local elected officials of both political parties.

Background:

From all press accounts, personal contacts and campaign appearances, the President's domestic policy goals and positions have received broad support from State and local leaders.

JHF-11/7/74

INFLATION

Question:

What response have you had to your telegrams to the Governors, Mayors and County Officials, asking them to enforce the 55-mile per hour speed limit and eliminate outmoded State regulations?

Answer:

The responses have all been positive and supportive. Those Governors and Mayors who have replied have pledged they will cooperate.

Follow-up:

How will they cooperate or help?

Answer:

First, by enforcing the speed limit. Then, by taking a hard look at the way State and local government can eliminate overlapping regulations which have an adverse effect on productivity.

You have heard from many Governors from New York to Hawaii who have stated that they will cooperate in this effort.

Background:

Over 200 telegrams were initially sent from the President and responses have been primarily from Governors.

Future actions include a letter from Sylvia Porter and a more detailed letter from the President which will spell out some suggestions.

JHF-11/7/74

NEW COALITION

Question:

Are there any plans for further meetings with the "New Coalition"?

Answer:

Yes. We will meet with the New Coalition again after the elections and before the FY 76 Budget is put together.

Background:

The President's staff met for several hours on September 11th with the New Coalition, chaired by Governor Rampton of Utah, in the first of a series of meetings. The loudest and clearest message to come out of the meeting is that revenue sharing reenactment is the top priority of State and Local Government. Also discussed were transportation, energy, human resources programs, State and local planning and law enforcement in greater depth. The meeting was a success and was characterized by the New Coalition as an excellent start.

They have agreed to meet again in early November after the election.

JHF-11/7/74

NEW COALITION

Question:

What about the formation of this "New Coalition" of Governors, Mayors, County Officials and State Legislators? What does this indicate?

Answer:

The "New Coalition" is a step in the right direction. I have encouraged this effort since it was first raised. The people will benefit if State and local governments are given greater resources and responsibility. Further, if these State and local elected officials are able to take unified positions on priorities, it will be most beneficial.

Background:

The President met with leading Governors, Mayors, County Officials and State Legislators beginning in his first week as President and has met with numerous others on several occasions since. He has met with their bipartisan leadership as well as individuals and they have spoken positively on all aspects of these meetings.

JHF-11/7/74

REVENUE SHARING

Question:

What is your position on the reenactment of General Revenue Sharing?

Answer:

As I told the State and local leaders, I was, am and will continue to be an advocate for General Revenue Sharing. I hope it can be extended at an early date in substantially its present form. I know this is their top priority.

Background:

The President stated his view that General Revenue Sharing should be extended in his meetings with these officials and all groups referred to this position in their public statements.

The consensus of State and local government views this as the best Federal program that they administer.

Senators Baker, Brock and Cook have introduced a bill extending General Revenue Sharing in the Senate. It is not expected to move in this session but should be a priority matter next year.

JHF-11/7/74

BUDGET CUTS

Question:

Won't the deep cuts in the Budget affect vital city programs and be felt first and sharpest by minority groups and the poor, and, therefore, hurt cities as a whole?

Answer:

The '75 Budget requests more money than ever before for grants to State and local governments and for human resources programs.

One out of every six federal dollars are spent in the form of grants to State and local governments. \$51.7 Billion in FY '75.

Background:

As Governor Winfield Dunn of Tennessee said in the President's meetings with the Governors, with more flexibility, State and local governments could get the job done with less money. They have added tremendous numbers of people in recent years just to administer Federal programs causing much waste and duplication. Almost all are highly paid specialists. Governor Dunn felt he could save \$50 million if Federal aid came with fewer strings. Many others, in the State and local Pre-Summit agreed that with block grants they could get the same mileage out of fewer dollars.

INDEX II

MIDDLE EAST
+
SOUTH ASIA

INDEX II

MIDDLE EAST & SOUTH ASIA

EUROPE

EAST ASIA

LATIN AMERICA

AFRICA

ECONOMIC

GENERAL

Negotiations with the PLO

Q: There has been conflicting reports about our position on the PLO, and whether we think Israel should negotiate with it, in light of the decisions at the Arab summit conference in Rabat. You indicated in your last press conference that we thought Israel should negotiate with Jordan or the PLO but Secretary Kissinger has said our policy has not changed. As I understand it, that policy has been that any negotiation for the West Bank should be with Jordan. What is our position?

A: Israel has made clear it is not prepared to negotiate with the PLO, so the question is really academic. I have seen speculation that there are differences between Secretary Kissinger and me on this question, and I want to make clear this is not the case. Our policy has not changed with respect to any of the issues in the Middle East. We have always said a settlement must take into account the legitimate interests of the Palestinians. The question of who negotiates with whom is for the parties concerned, not the United States, to decide.

Results of Rabat Summit

Q: The Rabat summit decided that the PLO should represent all Palestinians, and Jordan has now agreed. Doesn't that change the situation? Won't the PLO now have to be represented at the Geneva Conference?

A: Secretary Kissinger has been meeting with the Arab and Israeli leaders to get a better appreciation of the situation after the Rabat summit, including an assessment of the prospects for future negotiations. He will be giving me a full report on Sunday. I don't want to get into details of our assessment at this time. But we will be looking at what we might usefully do to promote progress toward a just and lasting peace. The parties have indicated they want us to continue our efforts.

As for Geneva, it was agreed from the beginning that the question of additional participants is one for the parties in the conference to decide. That remains the position.

FUTURE OF WEST BANK

Q: Do we favor a separate Palestinian state on the West Bank of the Jordan?

A: We have always felt that a West Bank settlement should be worked out between Israel and Jordan. However, the nature of the final peace settlement must be determined through negotiations, and it would not be appropriate for us to take a position in advance of negotiations among the parties themselves.

CONTACT WITH PLO

Q: Are we in contact with the PLO?

A: We have no contacts at the political level with the PLO. I believe, however, that there are the kind of working level contacts in New York that are normal in the United Nations context.

PROSPECTS FOR PEACE

Q: What are the prospects for our Middle East peace efforts? Have the chances of war increased? When will the Geneva Conference reconvene?

A: We plan to continue our efforts and hope they will produce further progress. Based on Secretary Kissinger's report I have some cautious optimism. A new war would be a major tragedy, and I have no reason to believe any of the parties have decided to abandon the search for a peaceful settlement. As for Geneva, our position is that it will be reconvened when the parties to the Conference agree this would be useful.

MIDDLE EAST - AID TO THE ARABS

Q: In light of the Arab subsidies announced at the Rabat Arab Summit Conference, 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. We should be in a position to do all we can to assist the countries in that area turn their efforts toward reconstruction and economic development as part of their movement toward a durable peace settlement. 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, 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 - ISRAELI AID

Q: There have been reports that in the aftermath of the Rabat Arab Summit Conference you ordered an acceleration last week of military assistance to Israel. Does this mean you have agreed to Prime Minister Rabin's request for \$1.5 billion a year in military assistance?

A: Military assistance is only one aspect of the long-standing close US-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.

MIDDLE EAST - NUCLEAR ASSISTANCE

Q: In light of concern about nuclear non-proliferation and Arab oil supplies, how do you explain our willingness to supply nuclear technology and materials to a volatile area such as the Middle East, including Egypt and Israel?

A: It is our belief that nuclear power, no less than conventional technologies^v, can make an important contribution to economic progress in the area and thereby contribute to stability. As Secretary Kissinger indicated in his UN speech, 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. 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.

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.

US POLICY IN SOUTH ASIA

Q: Secretary Kissinger has just concluded a major trip through South Asia, the bulk of which was spent in India. Is the US "tilting" back towards India?

A: We seek good relations with all states in South Asia and we support efforts by those states to build a long-term future for South Asia as a peaceful, stable and prosperous area. In that spirit, Secretary Kissinger travelled to the area for discussions on ways in which our relations can be further strengthened and given new meaning. In the case of India, our relations have been improving and the Secretary took time there to discuss ways in which we can jointly establish a mature and sound basis for the long-term future relationship between the US and India. Likewise, his visits to other of the nations afforded an opportunity for an exchange of views aimed at further strengthening relations with all of the South Asian states. I might add that I have been gratified by the progress made by the South Asian nations themselves over the past three years in reshaping and improving their own relations. We applaud those efforts and hope they have further success.

US ARMS POLICY IN SOUTH ASIA

Q: Pakistan has been pressing for a liberalization of our restrictive arms policy in South Asia. During the South Asian trip, did the Secretary tell Pakistan that the US would lift or liberalize the embargo?

A: Our objective in South Asia is to see that area move towards long-term peace and stability. We will determine our particular policies within this framework, so that our policies will contribute to, rather than upset, South Asian stability and contribute to meaningful progress towards long-term regional relationships resting on the independence and integrity of each state in the area. No decision has been made to revise our current policy, but that policy remains under continuing review.

US ECONOMIC ASSISTANCE TO SOUTH ASIA

Q: Food and economic assistance are major issues in South Asia. Did India ask for food aid? Did the Secretary make major new commitments during his trip?

A: I certainly recognize the magnitude of human problems in South Asia and the Secretary's trip offered a chance for fresh discussions on ways in which the US could be helpful within the limits of our resources. The US has been very generous in the past in contributing to economic development and in responding to natural disasters. We also contributed heavily to rebuilding the area following the 1971 conflict and we will continue to do everything we can in a cooperative effort to help meet the needs of the subcontinent.

During his visit to South Asia Secretary Kissinger announced our willingness to provide approximately 100,000 tons of PL 480 wheat to Pakistan. For Bangladesh, we recently concluded an agreement for 150,000 tons of foodgrains and we will be allocating more; we are also helping them with fertilizer. There have also been discussions with respect to food with India as we attempt to work out preliminary allocations against our overall annual allocations. The newly organized Joint Commission with India should also help facilitate contacts and exchanges in the fields of trade and commerce, economic cooperation, science and technology, education and culture and other fields.

[FYI: We have not announced specific figures for food aid for India.]

EUROPE

US-SOVIET SUMMIT IN VLADIVOSTOK

Q: What do you hope to accomplish during your meeting with General Secretary Brezhnev in November? What will be the focus of your discussions?

A: From the outset of my Administration, I have stressed my commitment to working for improved relations with the Soviet Union in the interests of world peace. It is in this spirit that I will meet General Secretary Brezhnev in November. I look forward to the working meeting in Valdivostok as an opportunity to become acquainted with the General Secretary and to exchange views with him on matters of mutual interest. Inasmuch as this will be our first meeting, I expect our discussions to cover a broad range of issues in US-Soviet relations, including the several negotiations in which our two countries are now engaged. We also will be looking ahead in our talks to the General Secretary's visit to the United States next year.

US-SOVIET RELATIONS

Q: Detente with the Soviet Union has become a controversial issue, both in the press and on the Hill. Could you comment on the general state of US-Soviet relations and on the proposition that the Soviets have made real gains under detente while we have gotten little in return?

A: The effort to achieve a more constructive relationship with the Soviet Union expresses the continuing desire of the vast majority of the American people for an easing of international tensions while safeguarding our security. I am committed to continuing to work for better relations with the Soviets in the belief that it is in our real interests and in the interests of a more peaceful world.

Now, there is no question that the Soviet Union obtains benefits from detente. How else could Soviet leaders justify it? But the essential point surely is that detente serves American interests as well.

On the global scale, in terms of the conventional measures of security, our interests, far from suffering have generally prospered. In many areas of the world, the influence and the respect we enjoy are greater than was the case for many years. Real detente -- the course I am committed to -- does not involve gains at U.S. expense.

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 conduct US-Soviet relations in a way that will protect our own security and other interests, benefit other nations of the world, and progressively deepen the commitment of the USSR to mutual restraint, accommodation and increasing cooperation as the governing principles of our relations.

In this context, I believe 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 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. Personally, I am hopeful that the Soviet Union shares these objectives and will continue to work in earnest with us in this approach.

SALT

Q: Reports say you have assured the Soviet leaders of extensive efforts to further arms limitation negotiations. Other reports say the US has no agreed SALT position. Where do you plan to go next on SALT?

A: Shortly after I took office, I sent a message to General Secretary Brezhnev reaffirming our commitment to further substantive negotiations on the limitation of strategic arms. I personally gave this same message to Soviet Foreign Minister Gromyko during our discussions in Washington in September.

The SALT negotiations resumed in Geneva in mid-September and recently recessed. As agreed at the recent Moscow Summit, this round of negotiations is focusing on an agreement covering the period until 1985. The US Delegation in Geneva put forth the US position on the framework for the 1985 agreement. The Soviets have similarly put forth their position. Obviously, at this stage of the negotiations we have not resolved all the differences in the positions of the two sides. We believe, however, there is common ground which can form the basis for an agreement.

During Secretary Kissinger's recent visit to Moscow a number of topics of mutual interest were discussed with the Soviet leadership. SALT was a major topic of discussion and some progress was made in narrowing our differences with the Soviets and laying a foundation for movement toward an agreement. I am looking forward to additional discussions on SALT in the Vladivostok meeting.

SIMAS KUDIRKA

(FYI: Simas Kudirka, the Lithuanian seaman who unsuccessfully attempted to defect to the U.S. in 1970, arrived in New York with his family on November 5. His arrival initially attracted little press attention, but possible public statements or appearances by him in the next several days could heighten interest and prompt a question about the Administration's role in his release.)

Q: What is your reaction to the USSR's release of Simas Kudirka and why do you think the Soviets let him go? What role did the Administration play in obtaining his release?

A: I am gratified by this Soviet gesture, which I think most Americans will see as evidence of good will on the part of the Soviet Union. On behalf of the American people, I welcome Mr. Kudirka and his family and extend best wishes to them as they begin a new life in the United States.

The Soviet Union obviously was aware of the considerable interest in Mr. Kudirka that existed in the United States. I think our quiet diplomacy together with expressions of concern from the Congress and countless private Americans were helpful. Beyond this, our Government provided only the normal technical assistance performed in immigration matters.

US-EUROPEAN RELATIONS

Q: How do you assess the current state of US-European relations?

A: Since I entered the Congress in 1949, I have believed that it is 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.

The Atlantic Declaration signed in Brussels this summer provides a fresh affirmation of the NATO Alliance by its members and marks a renewed spirit of unity and common purpose in the West. I intend to continue efforts to broaden and strengthen the partnership the Declaration symbolizes.

In recent weeks, I have met with a number of Allied leaders -- the Foreign Ministers of Britain, France and West Germany, and the Presidents of Italy and Portugal. In the near future, as part of these continuing meetings, I will meet with the President of France, the West German Chancellor and the Canadian Prime Minister.

In all of these meetings, I have stressed and will continue to stress the importance of close consultations on matters of mutual interest.

I have emphasized that the nations of the West face major challenges --

financial, energy, security -- that will require our best common efforts if we are to meet them successfully.

US-European relations currently are very good. Based on my meetings with Allied leaders and the will to cooperate expressed in the Atlantic Declaration, I am optimistic that jointly we can meet and overcome the problems that confront us.

GREECE-TURKEY-CYPRUS

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 and the U.S. role in the Cyprus crisis?

A: We have not "tilted" toward Turkey. The diplomatic efforts of the United States have focused on three essential objectives:

- to stop the fighting on Cyprus;
- to assist in relieving the human suffering of the people of Cyprus;
- to assist the parties toward productive negotiations for the restoration of peace and stability in the Eastern Mediterranean.

We have made progress in each area. A ceasefire has been achieved and is holding. The United States has urged military restraint and we have supported every UN Security Council resolution on Cyprus, including the most recent resolution disapproving unilateral military actions taken against the Republic of Cyprus and urging that negotiations be resumed among the parties.

The United States has been a major contributor to international efforts aimed at relieving suffering on the island. I have directed that money and supplies be provided to the International Red Cross and the United

Nations High Commissioner for Refugees. By December 31, we will have contributed more than \$7.6 million to this Cyprus relief effort.

In seeking to bring the parties into productive negotiations, the United States has maintained direct and frequent contact with the leaders of the Greek, Turkish and Cypriot Governments. We have been encouraged by the talks which have begun on Cyprus between Acting President Clerides and Vice President Denktash.

The United States is prepared to play a more active role, if that is what the parties desire, in helping to find a solution to the difficult Cyprus problem. Such a role would be in the context of the continuing overall goals I have set; to preserve the sovereignty, territorial integrity and independence of Cyprus and to restore stability and peace to the Eastern Mediterranean. I want to emphasize that the U.S. greatly values the friendship of Greece, Cyprus and Turkey, and it is in this context that we will continue to offer our assistance.

I believe that our ability to pursue these goals depends on being able to maintain a constructive relationship with the parties involved. I concluded that the cut-off of assistance to Turkey imposed by the

restrictive provisions of the Continuing Resolution would be destructive of that relationship and might, in fact, destroy any hope for the success of initiatives the U.S. has already taken or may take to contribute to a just settlement of the Cyprus problem. These restrictions threaten our relations with Turkey, a crucial member of an alliance vital to the strategic interests of the U.S., and instead of encouraging the parties to return to the negotiating table, an arms cutoff to Turkey could mean the postponement of meaningful negotiations. As a result of my vetoes of two earlier versions of this Continuing Resolution, Congress eased the most troublesome of the earlier restrictions and after a three-week delay in providing necessary funds for the operation of several departments and agencies, I signed, with serious reservations, the Continuing Resolution.

The problems created by these legislative restrictions with respect to our relations with Turkey are not compensated for in any way by benefits to Greece or the Greek Cypriots. Contrary to the intentions of the supporters of these restrictions, this bill can only hinder progress toward a settlement which is so much in the interest of both Greece and the people of Cyprus.

Nevertheless, I will do my best to accomplish the goals which we had set.

MILITARY ASSISTANCE TO TURKEY

Q: You have waived legislative restrictions on aid to Turkey until December 10th, do you think the United States should provide military assistance to Turkey in view of its role in the Cyprus crisis? What steps do you foresee if "substantial progress" toward a settlement has not been achieved by December 10th, the cut-off date specified by the Continuing Resolution?

A: Our ability to play a positive role in helping to find a solution to the difficult Cyprus problem depends on being able to maintain a constructive relationship with the parties involved. A cut-off of assistance to Turkey would be destructive of that relationship and might, in fact, destroy any hope for the success of initiatives the US has already taken or may take in the future to contribute to a just settlement of the Cyprus problem. Moreover, cutting off aid to Turkey would not affect the situation on the ground in Cyprus, would not help Greece or the Cypriot people, would be contrary to our vital defense interests in the Eastern Mediterranean and destructive of the NATO alliance.

Accordingly, I used the authority granted to me in the Continuing Resolution to waive restrictions on aid to Turkey until December 10th. We are in close contact with the parties, seeking ways to be helpful in getting negotiations started. Further initiatives by the Administration at that time will depend on developments.

ERST R51A

U.S. - JAPAN RELATIONS

Q: Why are you going to Japan? How would you describe our relationship with Japan as you prepare for your trip?

A: I told Prime Minister Tanaka that I consider our close 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.

We shall continue to work closely with Japan which is one of the most important countries in the world and one of our strongest allies. My forthcoming visit to Japan -- the first by any American President in office -- best symbolizes this new era in our relations and I look forward to discussing additional areas of U.S. - Japanese cooperation on the common challenges we face.

JAPAN-NUCLEAR WEAPONS PROTESTS

Q: Are you concerned that the recent protests in Japan may upset your plans to visit there? Have you assured Prime Minister Tanaka that American ships do not carry nuclear weapons when they visit Japanese ports?

A: All of the information that has come to me indicates that the vast majority of Japanese people want me to come to Japan just as the American people will welcome the Japanese Emperor's visit to the United States, ~~next year~~.

It has long been U. S. policy not to confirm or deny the presence or absence of nuclear weapons deployed anywhere. This is something we do not discuss for valid security reasons. Let me simply assure you that the United States Government has no intention of acting in a manner contrary to the wishes of the Japanese Government.

PRESIDENTIAL TRIP AND US AID TO KOREA

Q: How do you justify your visit to Korea in light of the repressive regime governing that country? 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: 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.

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 strong and independent country. The US has lessened its overall assistance 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 maintain the stability and security 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.

PEOPLE'S REPUBLIC OF CHINA

Q: The opening to China was one of the most distinctive aspects of former President Nixon's foreign policy. Do you intend to sustain his efforts to normalize relations with the People's Republic of China? Why has there 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: In many ways Mr. Nixon's successful efforts to open an official dialogue with the People's Republic of China marked the breakthrough in his policy of moving from an era of confrontations to one of negotiations. I fully subscribe to those past efforts, and intend to pursue the policy of further normalizing U.S. -PRC relations outlined in the Shanghai Communiqué.

I disagree with the view there has been no movement in U.S. - PRC relations. 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 what is expected to be 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, recently returned from a two-week tour of China. I expect that Secretary Kissinger will be visiting Peking later this year.

As I indicated in my address to Congress on August 12, I remain committed to the course of improved relations charted in the Shanghai Communique. We look forward to continuing progress in strengthening those relations in the months and years ahead.

OUR OVERALL POLICY IN VIETNAM

Q: After all we have been through with Vietnam over the past ten years, it is still a major issue in the country. What is your policy in regard to Vietnam, what obligations do we still have there and what actions do you plan to take over the next two years?

A: Our basic objective in Vietnam is to make the peace agreements work and thus give the Vietnamese people a reasonable chance to decide their future for themselves. Those agreements were reached after considerable effort. They represented, and they still represent, a major contribution to world stability. We want to see them carried out.

In pursuit of this objective, our policy follows two lines:

-- First, we encourage observance of the specific provisions of the Agreement. For example, we have supported the International Control Commission and we are urging all parties to contribute their share of the funds needed to permit it to continue its work. We are also doing all we can to get a full accounting for our men missing in action. We are encouraging the Vietnamese parties to talk to each other. Most important, we have kept our obligation to withdraw all American troops and to provide war materials to South Vietnam only on a replacement basis.

-- At the same time, while trying to make the agreements work, we must help our friends as long as the fighting continues. The North Vietnamese have sent over a hundred and sixty thousand

men into South Vietnam since the cease-fire along with large quantities of new supplies. It is quite proper for us to provide enough economic and military assistance to help our friends defend themselves and reconstruct their economy. We are no longer doing the fighting, but our aid is essential for those who are. It is also essential in demonstrating to the Vietnamese and the rest of the world that we are reliable and responsible allies.

We believe that the combination of these policies will work. We have been encouraged by the efforts of the South Vietnamese Government to implement the agreement and by its attempts to reach a peaceful settlement with the other side. We regret that the Communists have rejected out of hand Saigon's proposals for direct talks with Hanoi and for free general elections. Just this week, the South Vietnamese have called for a resumption of talks with the PRG in Paris. We continue to hope that a momentum can be started toward a political settlement.

Some Americans are discouraged about Vietnam. But we should not forget the positive developments that show the progress made:

-- Americans are no longer fighting in Vietnam, and the South Vietnamese are able to defend themselves without our troops.

-- Even though the cease-fire is not completely effective, the level of fighting is lower than it was before the cease-fire.

We are not yet at the end of the road. There may even be an upsurge in the fighting. Our continued economic and military assistance is still essential. But I do not believe that Americans should be discouraged or speak of walking away from a part of the world where so much has already been accomplished.

U.S. AID TO VIETNAM

Q: Why do we continue to provide so much aid to South Vietnam? Does not this just allow the war to go on and the destruction continue? Specifically in Vietnam by cutting aid won't we be able to force President Thieu to make a political settlement? It has also been charged that the United States is violating the Paris Agreements by continuing to provide military assistance to the Thieu Government. With inflation so rampant at home, shouldn't we now drastically cut aid to Vietnam?

A: First of all, it is the Communist side, not the GVN, that is continuing the war by refusing to implement the cease-fire:

-- The Viet Cong and the North Vietnamese have refused to contribute to the International Commission of Control and Supervision (ICCS) budget and have never assisted the ICCS in implementing the cease-fire.

-- They have walked out of the talks in Paris and they have boycotted the talks in Saigon.

-- 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 by cutting off aid and political support we force the GVN to accommodate the Communists while the Communists are blatantly violating the Agreement, it will undermine the political stability of the GVN side and could lead to a Communist takeover.

If we leave the South Vietnamese without sufficient means to defend themselves, this may convince Hanoi that it can win a military victory and lead to a renewed offensive.

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 inadequate to provide for all of their critical needs, if South Vietnam's enemies continue to press their attacks. I intend to discuss with the leaders of the Congress how we can provide the 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.

VIETNAM

Why Do We Continue to Support President Thieu?

Q: There have been a number of recent reports from South Vietnam indicating that several popular demonstrations against President Thieu have taken place. Other reports outline the corruption and undemocratic repressive measures which pervade his administration. Still others state that it is Thieu who refuses to make the necessary accommodations with the Communists to bring about a genuine peace. In the face of all of this, why do we continue to support President Thieu? Would it not be more in our interest now to endorse a more moderate man who can really bring peace?

A: President Thieu is the elected head of the constitutional government in South Vietnam seeking to maintain the independence of this country. That is why we support him and his administration.

Under the circumstances -- a continued high level of infiltration from the North and heavy attacks by enemy forces in many areas -- I believe that the achievements made in the past year toward rebuilding the economy and getting on with the process of nation building have been truly remarkable.

Let me give you a couple of examples:

-- One of the largest and most successful land reform programs in history has been carried out.

-- Hundreds of thousands of war victims and refugees have been resettled.

I believe the record clearly shows that the Communist side, not President Thieu, is mainly to blame for the absence of a

peaceful settlement. The Thieu Government has gone far in implementing the Agreement and in attempting to reach a peaceful settlement with the other side.

On March 29, 1974 the Government of South Vietnam proposed in Paris a specific date for free general elections to be preceded by the formation of the National Council of Reconciliation and Concord and by negotiated agreements on the other democratic internal problems. The South Vietnamese Government has also proposed direct talks with Hanoi on improving relations between North and South Vietnam. All of these South Vietnamese proposals were rejected out of hand by the Communist side. Just this week Saigon again proposed a resumption of the talks in Paris. We are hopeful the other side will respond positively to this new initiative.

CAMBODIA - U.S. MAJOR POLICY AIMS

Q: What are our policy aims in Cambodia? Why are we still actively involved there? When do you see this involvement ending?

A: Our major goal now is to see a negotiated settlement in Cambodia. The war there has gone on far too long. The other side has failed in its efforts to take Cambodia by military means. We believe negotiations should take place now. The Cambodian Government has recently called for unconditional talks. We fully support this move. Until there is a settlement, we will continue to support and assist our friends. We believe that only when the other side firmly believes it cannot win, will they be willing to talk.

LATIN AMERICA

U. S. POLICY TOWARD LATIN AMERICA

Q: Mr. President, you have just returned from a meeting with the President of Mexico at which you discussed a range of subjects, including hemispheric affairs. What is your view of U. S. policy toward Latin America and what can we expect in the coming year in this area of foreign policy?

A: Over the past year, the U. S. has been giving renewed attention 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. Also, I have met in recent months with a number of leaders from the Hemisphere, and most recently with the President of Mexico, to discuss regional matters and to hear the views of these leaders on subjects of interest or concern to them. I expect this process to continue.

We have also made significant progress toward resolving some long-standing bilateral problems in the region over the last year and we will be continuing our efforts to resolve remaining problems. I am sure that with a continuing spirit of mutual understanding and cooperation, our efforts to resolve such issues through negotiation and mutual compromise and to strengthen further Hemispheric relations will be productive. I assure you the efforts of my Administration over the coming years will be directed toward this end.

11-7-74

Q: The Organization of American States (OAS) has begun consideration on possible lifting of the sanctions against Cuba. Senators Javits and Pell visited Cuba and reported that Prime Minister Castro is interested in better relations with the U.S. and that his release of four U.S. -citizen prisoners is evidence of this desire; and Prime Minister Castro in a CBS interview indicated he thought an improvement in U.S. -Cuban relations would be possible under your Administration. What is your position on U.S. policy toward Cuba and do you regard these as signals from Cuba indicating its desire for improved U.S. -Cuban relations?

A: As you know, the Organization of American States, which voted to impose sanctions against the Castro Government because of charges brought by member governments that Cuba was intervening in their internal affairs, has approved a resolution calling for reconsideration of the Cuba sanctions question. A meeting of the Rio Treaty parties in Quito began today 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 forum decide that the conditions which gave rise to the Cuba resolutions no longer obtain, then that would certainly be one element we would weigh in any considerations of our own policies.

Now, it has long been our position that we would be prepared to consider a change in our policy toward Cuba if and when Cuba demonstrates that it has changed its policies. Of course we always look for consistent indications of a desire on Cuba's part to establish a peaceful and constructive relationship with the U.S. Looking at recent speeches and public statements by Cuban officials, I have seen no real evidence of such an interest on the part of the Cubans in beginning to work toward establishing such a relationship.

U. S. POSITION AT OAS MEETING IN QUITO

Q: What is the U. S. position on the Cuba question being considered at the meeting of Foreign Ministers in Quito this week? Will the U. S. vote in favor of lifting the OAS Cuba sanctions?

A: We do not yet know the form which the resolution in Quito will take and any comment on a U. S. position would be premature. Throughout the conference we will, of course, be consulting with the other members of the OAS regarding their views. We believe each nation should vote in accordance with its own interests as it sees them. The U. S. certainly respects the right of each nation to make that determination and we presume that the other members of the OAS will also respect the position of the United States.

AFRICA

AFRICA

Q: There continues to be criticism that your Administration is ignoring Africa. What is your Administration's policy towards 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. Recently, I have had the pleasure of meeting separately with President Siad [See-AHD] of Somalia, who is the current President of the Organization of African Unity, and with President Tolbert of Liberia. I pursued with them matters of common interest and in particular US-African issues. I look forward to continued contacts of this sort with Africa's leaders.

Recently there have been some heartening developments in Africa, particularly with regard to the Portuguese territories. We have recognized the new state of Guinea-Bissau and supported its membership in the United Nations. We follow with keen interest the developments in Mozambique and Angola and have expressed our appreciation to the Portuguese for their efforts to provide self-determination to these peoples, a step we have urged all along.

Lastly, I think we should keep in mind the basic humanitarian concern the American people have always felt for the peoples of Africa. The United States response to the disastrous drought in Africa which began in 1972 is a clear example of that concern. The United States Government has been the largest donor throughout the emergency period, providing approximately 40 percent of the total in foodstuffs and other relief supplies. Through the end of fiscal 1974 we had committed over 600,000 tons of foodstuffs worth approximately \$120 million, and have given another \$29 million in non-foodstuffs. This type of assistance will continue. We are also joining with others to assist the affected states in medium and long-term development projects which will permit them to provide for their own needs.

SOUTH AFRICA

Q: There have recently been news reports that your predecessor's Administration adopted a "secret tilt toward the white supremacist states." Why did the U.S. veto the UN effort to expel South Africa?

A: Our policy toward Africa is not secret, and United States actions toward Africa make quite clear the unfairness of such characterization. The United States Government views about South African policy of apartheid have been expressed repeatedly in the United Nations, other international forums, and in public statements. We also continue to enforce an embargo on the sale of arms to South Africa. We have a ban on naval visits and a neutral stance on United States investment. On the other hand, we do not believe that isolating South Africa from the influence of the rest of the world is an effective way of encouraging them to follow a course of moderation and to accommodate change. Expelling South Africa from the UN would hurt the UN and not help the situation in South Africa. Nor can we associate ourselves with violent solutions to the problems of southern Africa.

Economic

WORLD FOOD PROBLEM

Q: What is the United States doing to help meet the world food crisis? What will be the U. S. position at the World Food Conference in Rome?

A: As I said at the United Nations, the United States recognizes the special obligation we bear because of our extraordinary agricultural productivity, advanced technology and our tradition of humanitarian assistance. That is why we proposed a World Food Conference and we are determined to make a contribution equal to the magnitude of the problem.

We are convinced that an international cooperative response to the problem of food is essential to the kind of world we seek. Secretary Kissinger has put forth comprehensive U. S. proposals in Rome and our delegation there is taking a highly constructive approach to this problem.

Our approach is to seek cooperative international action in 5 major areas:

- increase in production by food exporters
- acceleration of production in developing countries
- improving means of food production and financing
- enhancing food quality to improve nutrition
- ensuring security against emergencies through a system of food reserves

We will also increase U. S. food assistance to the fullest extent possible to meet the immediate short term needs of the most seriously affected nations.

Foreign Aid in General

Q: Mr. President, in the post-Vietnam era foreign assistance has come under increasing attack as a cause and symptom of unnecessary involvement overseas and a source of support for undemocratic regimes. Congress has cut funding levels and restricted your powers. You have vetoed two temporary bills and accepted a third only very reluctantly. Do you think you can get the mutually acceptable foreign aid legislation you have called for when Congress returns?

A: Yes, I do. I know from my own experience in Congress that foreign assistance is not a popular issue. It grows more unpopular just before an election, when the foreign aid dollar to protect our interests abroad seems to compete with the need for dollars for domestic projects. When Congress returns I will do what every President has always had to do: try to find the common ground on issues, try to forge agreement, and to articulate the interests of all the people rather than of various areas and constituencies.

In the past whenever we have had to take in our belts at home there has been a rush to cut back on our programs abroad--to isolate ourselves. This is understandable, but in today's world it is dangerous.

Nothing has demonstrated our interdependence with other countries and their reliance on American leadership and cooperation than the shortages we are facing in food and energy. For many countries, without the help made available by our foreign aid, there would be starvation, and sickness. We cannot ignore these needs

for if they go untended they will only worsen and spread. There can be no doubt that America's interests lie in helping countries in need to help themselves.

We spend less than 1/2 of 1% of our Gross National Product on foreign aid. Surely this is a small price to pay for the difference between life and death to many people.

Apart from our food programs our assistance goes to enable friendly countries to defend themselves so that we will not have to do it for them.

I am going to continue the process of reducing our direct involvement in the defense of friends around the world without jeopardizing either their security or our own. I believe there is broad support in Congress for this policy.

FOREIGN ASSISTANCE LEGISLATION

Q: In view of the difficulties of the Administration in getting an acceptable Continuing Resolution for foreign assistance before Congress adjourned, how do you evaluate your chances of getting an acceptable bill after Congress returns?

A: I regard the Foreign Assistance Act as a cornerstone of US foreign policy, and as something which both Democrats and Republicans have an equal interest in supporting. I know the reservations of many Congressmen on different parts of the legislation and I intend to make a special effort to reassure the critics of the bill of the purposes it will serve, and the importance of the ends it will accomplish. I believe it will be possible to agree on an acceptable bill.

Oil Prices

Q: You and Secretary Kissinger have both called oil prices a world peril and sounded threatening. What actions does the U.S. 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. We are

also working within the international financial system to provide a means to make the oil income surplusses 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 U.S. 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.

[If asked about the Secretary's talks in Iran and Saudi Arabia:

I believe such talks will contribute to a better understanding of our common economic problems in this interdependent world along the lines I have described. We will continue to take such opportunities to discuss these issues with our friends.]

GENERAL

NATIONAL DEFENSE

Q: What are your views on national defense?

A: Our interests are best served by maintaining a strong national defense. Peace can only be built upon the clear ability and will of the American people to protect our interests whenever they may be threatened.

There are several critical facets to the need for a strong military posture. A strong defense is our principal deterrent against aggression. This is crucial not only to us, but to our allies as well, since we bear the main burden of maintaining the security and survival of the Free World. Our Defense posture is a fundamental underpinning of our alliances, and reinforces the will of our allies to make our common defense work. Moreover, our military strength underwrites our diplomatic strength. It insures that negotiation is the only rational course, and thus lays the groundwork for achieving, through negotiation, a relaxation of tensions with our adversaries, and an enduring framework for peace.

I recently signed into law the Defense Appropriations Bill for FY 1975 which Congress had approved. Although the Congress

did not accept all Administration recommendations, I fully recognize and appreciate the bipartisan efforts made by the House-Senate conference committee to produce a Defense Appropriations Bill acceptable to both Houses and sufficient for our national security needs.

In any event, from my experience in Congress I know all too well the conflicts that defense bills can produce in the name of economy and other national interests. Thus, as I mentioned when I signed the FY 1975 defense bill, I want to renew my pledge to build a new partnership between the Executive and Legislative branches of our Government, a partnership based on close consultation, compromise of differences and a high regard for the constitutional duties and powers of both branches to work for the common good and security of our nation.

Each Administration and Congress since the Second World War has supported -- on a bipartisan basis -- the maintenance of our military strength. I intend to continue to support a strong defense posture, and I believe the Congress will continue to do so also.

NUCLEAR WEAPONS PROLIFERATION

Q: What is the U. S. doing and what actions are open to us to prevent the spread of nuclear weapons throughout the world, with its obvious threat to peace and security?

A: Our desire to prevent the spread of nuclear weapons is a key factor in our foreign policy. That this desire is shared strongly by most other nations is reflected by the fact that over 80 countries have ratified the Non-Proliferation Treaty. This Treaty constitutes a pledge by non-weapon states not to develop nuclear explosives and, equally important, requires comprehensive safeguards so that international nuclear sharing in the peaceful use of nuclear energy can be carried out without contributing to the problem of proliferation.

We must realize, however, that there are a number of countries who have shown little interest in associating themselves with the Treaty. Moreover, the effect of any treaty is not immutable. Thus, the potential for proliferation continues to exist. We must work to strengthen the Non-Proliferation Treaty, but we also recognize the necessity of taking additional steps outside the framework of the Treaty to prevent proliferation as effectively as possible.

It is our objective to establish conditions and to take actions so that countries do not develop nuclear explosives either for weapons or so-called peaceful purposes. Of course, the most important condition to achieve is that of stability and interdependence, so that no country feels that it is in its security interest to acquire nuclear weapons. Beyond that, our specific actions are aimed at

easing nuclear tension through arms control, which we are pursuing now with the USSR, and strictly controlling the export of technology and materials intended for civil nuclear energy programs, but which could be used to assist the independent development of nuclear explosives. In effecting such controls, it is vital to have the close cooperation of those other countries in the world who are nuclear exporters, since the network of controls will be only as strong as its weakest link. Without these controls, we will not be able freely to share nuclear technology. With them, the world can safely derive the benefits of this important energy source.

Secretary Kissinger has dwelt on the issue of proliferation in his recent UN speech, and we will make it the subject of diplomatic and technical discussions in every appropriate forum where we can hope to influence nations toward prudent policies in this area.

CHILE - COVERT OPERATIONS - 40 COMMITTEE

Q: You have 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: 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 appropriate to announce publicly.

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. The use funds provided by the Congress, and are reported to the committees designated by the Congress to review these operations.

Future covert operations, if required, will be authorized only to protect our national security and only then when other means will not accomplish that necessary objective. I am satisfied that our current procedures will ensure that this will be done.

HUMAN RIGHTS AND FOREIGN POLICY

Q: For the past several years US 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?

A: 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 that will be most effective in enhancing those rights.