POOL REPORT - FROM BEGINNING OF MEETING AT PALACE TO MANILA

The Ford-Suharto meeting, with their aides, ended 9:35 a.m. (Began at 8:05). President, Kissinger, and Indonesian Foreign Minister Malik walked from Istana Merdeka (Independence Palace) to nearby guest house. Ford overheard to say to Malik at one point: You're a great talker. (No idea in what context remark made.)

About ten-thirty, President and Kissinger were back at the Istana for the first farewell. The two Presidents chatted alone for a minute or so in the huge carpeted reception room; Kissinger and Malik chatting in the background. Subarto was doing most of the talking. We were too far away to eavesdrop.

The two Presidents emerged onto outdoor terrace and stood under chandeliers which probably made lovely picture. After few moments they walked to the unshaded part of terrace, at top of stairway, with Subarto waving to small crowd of Indonesians, with flags. at the other end of the vast garden. Distance, about 100 yeards or so. Crowd waved back and there was a fluttering of color. The Pres.-we were not close enough to be precise--seemed to say something like, your flag and ours go well together.

Drive to airport -- routine. Crowd smaller than the arrival crowd, but still ribbons of people lining streets here and there. Many of them, youngsters--more flags. One overhead chopper seen, probably security.

INSERT -- BEFORE THE PRESIDENT RECONVENED WITH SUHARTO INSIDE PALACE FOR FIRST FAREWELL, KISSINGER STOPPED CHAT WITH US ON TERRACE.

Asked about how meeting went: Kissinger replied: "It went very well, it was very friendly."

Question along line: Was aid the chief subject? Kissinger: NO, that decision was made before. This was a five-minute subject." Q: What took up rest of time? A: "General review of the situation in Southeast Asia." also; Kissinger said "We are in support of ASEAN efforts and we have to understand what Indonesia is doing which is the key country in that effort. So there was a lot to talk about."

Q: Mr. Secy., when you take a retrospective look at old American relations with Indonesia, why is there a perception of it being so important today when once there were great tensions between these two countries? A: "Because I think both countries have realized the compatibility of their interests." Q: You mean, we have no permanent friends; only permanent interests? A: That's a reliable basis for foreign policy". (END INSERT)

At Airport: The President proceeded down reception lines --usual shaking hands, small talk. Four black umbrellas-- over Presidential party -- held by Indonesians -- against het sun. Diplomatic community, prominent Inodnesians, Indonesian Cabinet on hand. President was garlanded, as on arrival. Subarto accompanying him. Mrs. Ford, followed by Indonesian carrying umbrella, followed by Susan, following the President. President saying thank you, I enjoyed being here. Review of honor guard. 21 gun salute, a few more goodbyes and handshakes between Ford/Subarto. Mrs. Ford and Mrs. Subarto check-kissed; and away we go. Nessen dropped by shortly after take off. Said there will be a communique tomorrow in the Philippines. But have to work hard to get it done in time.

Susan told Roderick that the visit to Indonesia was too short, said she would have loved to have stayed longer.

A senior American official traveling with the President said on background, and not for direct quotation, a number of things: (He dropped by about 2 pm Manila time).

Said Kissinger would be departing from Manila to Tokyo about 15 minutes after the President departs Manila for Hawaii. That is, just as soon as the President is airborne. He will spend the night in Tokyo, then see Prime Minister Miki, Foreign Minister Miyazawa -- then his business done, he will take off. Expects to be in Washington 1:30 Monday afternoon. Said you know how sensitive they are to China relations. It's a good thing to do; it costs very little. Kissinger will be getting into Washington 12 hours after the President.

About what do in the Philippines, similarly, as in Indonesia, except we also have bases. Asked what was the problem on bases; they're up for renegotiation. In any event we have closer historical ties with the Philippines. The bases formula has not been decided. There is no question on the sovereignty of the bases. It's what that means in practice that we have to negotiate. They want sovereignty? he was asked. He replied, That's one of the things they want.

He was asked whether Ford would discuss political prisoners with Marcos. He replied, We'll discuss our views on human rights.' He said, We support the efforts of ASEAN nations to achieve political and economic cohesion in Southeast Asia. Het was asked, "Do we offer them a nuclear umbrella? He said, 'It didn't come up. What our role is to help their efforts to help themselves. We have an arms program with the Philippines, modest sized.

Asked about how countries perceive United States in the wake of Vietnam as he senses it on this trip to Southeast Asia, he said there are two things: (1) the Indochina collapse (2) the other, our domestic situation. We get asked a lot of questions of what is really going on in America. What our foreign policy is going to be.

He was asked if ASEAN is against Communism. He replied, They have concerns about Vietnam, the power of Vietnam, a country of 45 million with probably the most modern army in Asia...concerned about China to some extent, about the Soviet Union.

He was asked asked whether Vietnam would use its force against others? Not this week, he said, but ifyou look two or three years ahead I don't think humility is the outstanding characteristic of the Vietnamese. They've got a lot of arms that they captured which they can spread around. They don't have to move their forces. They've got a lot of arms they can spread around.

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Another item (in no particular order out of this briefing); that David Bruce, Ambassador to NATO, is going to resign at the end of January. It's been known for a long time. He had told Kissinger about his desires last September, that he wanted to leave...but he was advised to wait until the end of January. Bruce was described as a really great man. Both President and Kissinger think the world of Bruce. One of the great men who's served many Presidents.

Another item; said replacement for George Bush in Peking in next six weeks -- this would be disclosed. Said its true that President had offered Colby post as Ambassador to NATO, but that was because he already knew that Bruce was planning to resign.

> Bernard Kalb John Roderick

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