The original documents are located in Box C33, folder "Presidential Handwriting, 1/6/1976" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE

WASHINGTON

January 6, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

RON NESSEN

FROM:

JIM CONNOR JEC

The President reviewed your memorandum of January 5 concerning the major stories in Florida newspapers on comments made by the President about Cuba and made the following notation:

"Looks good. Reaction?"

Please follow-up with appropriate action.

cc: Dick Cheney

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

January 5, 1976

MEMORANDUM FOR THE PRESIDENT

As you requested, here are the major stories in Florida newspapers on your comments about Cuba from your news conference just before going to Vail.

In addition to the big play given in the Miami Herald and Tampa Tribune Times, shown here, the story was also run on page one of almost all major papers in Florida. However, we have not yet been able to obtain copies of the actual newspapers.

John good.

RON NESSEN

Enclosure

Clear

Clear and cool with highs in the 70s. Bay waters choppy. (Details, Page 2A.)

SATURDAY'S TEMPERATURES

7 a.m. 56 lp.m. 76 7 p.m. 73 5 a.m. 66 3 p.m. 75 9 p.m. 73 1 a.m. 74 3 p.m. 75 11 p.m. 67

Ford to Propose

Tax Cut Into '77

The Miami Herald

288 Pages

Final Edition 50 Cents

66th Year - No. 21

Sunday, December 21, 1975

Florida's Complete Newspaper
Two Latin American Editions Are Published Daily

WASHINGTON — President Ford, claiming a "100 per cent" victory in his battle to make Congress link tax reductions to spending limits, said Saturday that he would recommend a tax cut of \$28 billion to begin July 1, when a six-month extension of the 1975 tax cut expires

From Herald Wire Services

Ford said he would tie the cut to a \$395-billion budget he will propose for fiscal 1977, providing an equal cutback in growth of federal spending. He said he has "a fair chance" of getting Congress to operate under that ceiling.

Ford said he would sign a \$6.4-billion bill that Congress revived Friday to extend 1975 tax cuts for the first six months of next year.

But, he told reporters at a news conference, "I under no circum-

stances believe that I backed off the very fundamental principle, which was if you are going to have a tax reduction you have to have a corresponding limitation on the growth of federal spending.

"I WON on that issue 100 per cent, and if you tie that principle which the Congress has agreed to with the budget ceiling that I am going to submit of \$395 billion, it does mean that the Congress will have to respect their good-faith commitment and operate within the \$395-billion figure."

The House failed to override Ford's veto of an original bill extending the 1975 tax cuts. Congress then revived the bill and passed it Friday with some new, nonbinding language saying it would lower federal spending by the amount of any future tax cut. Ford promised to

sign the bill, probably Monday, and avert a Jan. 1 increase in taxes for Americans.

Ford said the compromise offer made by Democrats in Congress was for a "dollar-for-dollar reduction in taxes and a dollar-for-dollar reduction in federal spending."

PRESS SECRETARY Ron Nessen said Saturday Ford would try to hold Congress to its pledge to lower federal spending by the amount of any future tax cut.

"For every dollar over \$395 billion that they go, they will be voting to reduce the additional tax cut that he will have proposed," Nessen said.

"So this issue isn't over — it is just beginning. This will be an issue every time a spending bill is voted in Congress. It's a whole new way of doing business."

The compromise on the sixmonth extension of current tax cuts came just before Congress adjourned and was worded in such a way that both sides could claim victory — Ford because he forced in sertion of the vague promise to hold down spending and Congress because it did not have to agree to a specific ceiling.

ALTHOUGH the battle over the tax cut extension was settled, several major pieces of legislation were threatened with presidential vetoes. Among them was a measure to provide for a comprehensive new energy-conservation program, another to expand picketing rights in the construction industry and \$6.5 billion in aid for railroads primarily in the Northeast and Midwest.

Nessen said Saturday that Ford

Turn to Page 12A CoL 1

Ford: Cuba Ties Impossible

Says Action
In Angola
Is Reason

Soviets Imperil Detente, He Warns

Washington Post Service

WASHINGTON — President Ford declared Saturday that Cuban intervention in Angola had wrecked any chances of improved U.S.-Cuban relations.

He also said that the Soviet Union's role in sending military aid to a favored faction in that wartorn African nation had damaged detente policies and may have cooled the prospects for successful arms limitation talks.

"The action by the Cuban government in sending combat forces to Angola destroys any opportunity for improvement with relations with the United States," Ford told a hastily called news conference. "They've made a choice which, in effect, and I mean it very literally, has precluded any improvement in relations with Cuba."

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Turn to Page 12A Col. I

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The President made his statement a day after the Senate, by a 54-22 vote, blocked any further funds for covert aid to U.S.-supported factions in Angola.

FORD DENOUNCED this Senate action Friday as a "deep tragedy for all nations whose security depends on the U.S.," and he repeated this concern Saturday in his informal news conference in the White House press office. Other countries, he said, "can't help but have misgivings" about future assistance.

"... The action of the Senate has seriously handicapped any effort that we could make to achieve a negotiated settlement so that the people of Angola could have a free and independent government," Ford said

When the President was asked subsequently whether the Soviet role in Angola had damaged prospects for U.S.-Russian arms limita-

tion talks, he replied:

"The persistence of the Soviet
Union in Angola with \$100 million
or more worth of military aid certainly does not help the continuation of detente."

IN RECENT months there had been some indications of improved U.S.-Cuban relations and wide-spread predictions that the two countries would ultimately restore the normal relations that were severed when Fidel Castro came to power.

But the Angola issue had dampened these prospects even before Ford spoke Saturday.

Recently, Secretary of State

Turn to Page 11A Col. 1

Ties With Cuba Now Impossible, Ford Says

FROM PAGE I

Henry Kissinger had vetoed a proposal for Cuban sports teams to visit the United States, indicating that it was a reaction to the Angolan situation.

The White House estimates that there are from 4,000 to 6,000 Cuban troops in Angola fighting on the side of the Soviet-backed Popular Movement for the Liberation of Angola.

FORD READILY acknowledged that the United States had been providing military assistance to other Angolan factions. He called the U.S. aid a "legitimate covert operation" and declined to give details on its cost.

The President repeated an earlier statement that no U.S. military troops were being used in Angola nor were any contemplated.

Ford said the Senate action Friday had "tied the hands" of the U.S. government and made it difficult to pursue a diplomatic solution.

But he did indicate that the United States was supportive of an African summit meeting called for Addis Ababa from Jan. 10-12 in an effort to end the Angolan war.

IT WILL BE the first emergency session held by the Organization of

African Unity since its founding 12 years ago and there is skepticism, both in Africa and the United States, that it can persuade the three Angolan factions to stop

fighting.

Ford declined to say in any specific fashion what he intends to do next in Angola now that the Senate has cut off further military aid.

But the President did express a hope that the House would reverse the action. The Senate amendment prohibiting aid to Angola was added to a \$112.3-billion defense

bill that will not be acted upon until next year.

The same of the sa

This will give the White House time to try to enlist House support to scrap the amendment. But it also

means there will be no military aid for Angola once \$5 million that is now "in the pipeline" and another \$3.2 million in a special emergency fund are spent.

Ford Will Urge Tax Cut for July 1

> FROM PAGE I

was unlikely to act on any of those lover the weekend and probably would not call Congress back early for a special session if he did veto any of those bills or others.

Ford presented only general guidelines on his new proposed

effect on the average taxpayer was not available.

He said it will reflect a \$28-billion cutback in the growth of federal spending and there will be a \$28 billion tax cut to go with it.

SPEAKING on politics at the press conference, Ford jibed gently at Ronald Reagan's economic proposals while discounting public opinion polls showing that he trails \$28-billion tax reduction, and the the former California governor in

the fight for the Republican presidential nomination.

"The way I judge it is whether I think I am doing a good job as President," Ford said.

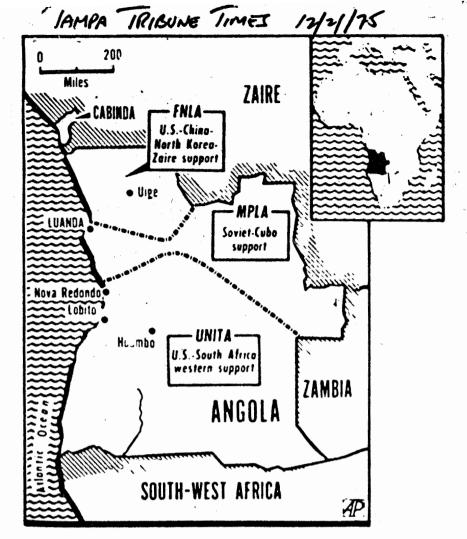
The President said that the determination of the voters would be based upon his own record in the White House, "not on any interim polls."

That record was described in fairly glowing terms by Ford, who said his administration had "made some great progress certainly in solving economic problems" and also had done "a very good job in foreign policy."

When Ford was asked about a proposal by Reagan to reduce the federal budget by \$90 billion by turning over a variety of welfare, medical and housing programs to the states. Ford said that he had met with nine governors of both parties last week and that they were unanimous in opposing any plan that would raise state taxes.

While Ford preferred talking about his work on the budget Saturday, he obviously had politics very much on his mind.

Asked about the extent of his prospective campaigning in New Hampshire and Florida, where the first two presidential primaries will be held. Ford said he had "a lot of open dates in those months."



Map Locates Areas Controlled By Three Angola Factions ... boxes indicate international supporters of each—(AP)

Ford Says Makeup With Cuba Now Off

WASHINGTON (UPI) — President Ford said yesterday Cuban military intervention in Angola has destroyed any chance for improved U.S.-Cuban relations, and he warned Moscow its Angolan involvment could jeopardize detente as well.

At an impromptu news conference, Ford also indicated he still may try to get covert aid through to anti-Soviet factions in Angola despite Congress' moves to stop such aid. "The Congress has tied our hands," he said, "and I think that is a serious mistake."

Ford discussed Angola and domestic political issues with White House reporters one day after the Senate voted to halt covert U.S. aid to Angolan factions. The House then froze the main source of Angolan funds by refusing to vote on the issue

THE PRESIDENT has warned the Soviet Union before — as he did yesterday — it could jeopardize relations with the United States by its policy of supplying vast quantities of military aid into a favored Angelan faction.

But his remarks on Cuba were startlingly blunt and appeared to shut off Secretary of State Henry A. Kissinger's painstaking efforts to thaw relations frozen since the early 1960s.

"There are between 4,000 and 6,000 Cuban combat military personnel in Angola," Ford said. "The action by the Cuban government in sending combat forces to Angola destroys any opportunity for improvement in relations with the United States.

"They've made a choice which, in effect — and I mean it very literally — has precluded any improvement in relations with Cuba."

AS IF TO ERASE any chance he would be misunderstood on this issue,

Please See Page 15, Col. 5

Cuba's Angola Action Thwarts Makeup-Ford

• From Page 1

Ford later said he was also angered by Havana's effort "to get Puerto Rico free and clear from the United States." That plus Cuba's Angolan intervention, he said, "ends, so far as I am concerned, any efforts at all to have friendlier relations with the government of Cuba."

Asked what effect Moscow's Angola policy might have on stalemated negotiations for a second-round U.S.-Soviet nuclear arms limitation agreement, Ford said: "The persistence of the Soviet Union in Angola with \$100 million or more worth of military aid certainly does not help the continuation of detente."

He said he intended to "maximize our efforts" to persuade the Soviets and Cuba to withdraw from the Angolan conflict, perhaps with the aid of the Organization of African Unity.

BUT HE SUGGESTED he may not be through trying to channel more aid to favored Angolan factions even through Congress action Friday seemed to put the main block of covert funds out of reach at least until after the congresway, by saying "I think over-all Bo has done a good job!, and that, on the basis of weekly reports he has been getting, "I'm convinced we are in good shape in most states" for the GOP primaries.

— Said he hoped to decide over the weekend if he should accept compromise legislation that would establish a new comprehensive energy conservation program and had been given advice "on both sides of the issue" from his advisers.

— Gave no indication if he would sign or veto a bill, sought by labor, to give unions more picketing rights in the construction industry. He said Labor Secretary John Dunlop urged him to sign the measure, but 600,000 messages calling on him to veto the bill had been sent to the White House.

Asked if he expected Dunlop to quit his post if the bill were vetoed, Ford said "I know he feels very strongly" about it but "there's been no indication to me that he might resign."



ORD CHANGERS