

NEWS SUMMARY
Nets, wires, papers
August 20, 1974

The Major Stories:

- "Situation on Cyprus took grave and tragic turn," led NBC, w/fatal shooting of Davies in US Cyprus Embassy. Also led ABC (#2 on CBS), which said crowd in "ordinary" demonstration became angrier and nastier, developing into what CBS called "confused and violent scene." All nets w/film of mob burning US Flag, storming embassy, and battling w/own police. Tho aid requested before shooting began, Greek-Cypriot Guard did not arrive 'til after Davies' shot.

- Film of Clerides on all nets as he toured scene. ABC said it will damage reputation/cause of Greek-Cypriots. Ecevit expressed shock, saying Greeks were trying to make others pay for their mistakes. On all nets he said Turkey doesn't want to be angry, but is concerned something be done to implement Geneva agreements. Otherwise, Turks will have to turn to other means. NBC called this "veiled ultimatum," tho Turks believe incident "clearly improved" their "severely tarnished" image... HAK (on all nets) said Turks will have to be "flexible" and concerned w/Greek "sensitivities." NBC said State believes aid cutoff would be ineffective, and weaken NATO, but CBS said test may come w/sentiment "developing" on Hill for cutoff.

- GF took 1st trip beyond DC as Pres. and "generated both shock (Davies) and surprise (amnesty)", said Mudd in CBS lead (#2 on ABC/NBC). Nets focused on amnesty report GF ordered by 9/1, briefly noting Roudebush app't to VA. CBS called it "major shift" in policy, ABC said "bold decision" that "stunned" VFW, and NBC called it "major, unexpected" move on "very touchy" subject... Nets featured clips of GF saying VN evaders should be given 2nd chance for earned re-entry in into new atmosphere of hope, hard work and mutual trust. CBS said VFW reaction was, "on the whole, understanding..." All nets w/film from AF 1 where GF explained he'd decided it'd be best to announce move before audience that "might be difficult," but understanding-- rather than "hand-picked" group.

* * * *

CYPRUS

All nets reported bullet traveled thru Davies' office, a secy's office, and down corridor to where Davies was huddling for safety w/10 embassy guards...Embassy had asked for protection 4 hrs. before riot began, but only 30 or 40 unarmed police were sent...Several police watched idly as cars blazed and Cypriots cheered.

NBC called the hundreds of demonstrators "frenzied" w/some carrying signs "Killer HAK" and local police unable to control them. UN armored vehicle showed briefly, said reporter, but left immediately after deciding it was not UN business. Then, said NBC, more demonstrators joined in. ... Over film of mob, CBS called it "angry crowd," in belief US could've prevented Turk invasion. No one seemed to know if shots fired were targeted, or random. ...ABC w/film of sign "HAK: a murderer," and mob over-turning auto inside compound.

Later reports said fatal bullet came from construction site across street, w/AP using term "sniper."

ABC/CBS noted Clerides personally rode w/Davies to hospital, then called HAK. CBS noted DOD ordered 2 aircraft carriers posted in eastern Mediterranean, about a day's sail from Cyprus in case needed. Flagship of 6th fleet and helicopter carrier, Inchon w/about 13,000 marines aboard also nearby. ...DOD said move considered prudent. ...CBS said Davies' death led to setting up Rumor Center on US Air Base, w/switchboard "jammed". Families don't feel safe outside base, and Greece says decision on US bases still "under study."

GF dispatched plane for Davies' 20-year-old daughter and 16 year-old son to fly Davies' body to Washington. ... UPI reports a "bitter" Mrs. Davies, 78-year-old mother, said US or UN should have done something.

CBS said incident "drew immediate angry words" from Athens, where Karamanlis said any such acts (demonstrations) will be dealt w/mercilessly and severely. Greeks blame extremists "of both right and left" for anti-US demonstration.

NBC reported Ecevit received cable of Davies' death while seated in Parliament, waiting to speak of Turk military success. He promptly left, said Trotta, w/his aides "shocked." ...Ecevit on all nets phoning request to send "condolences and regrets" to HAK/GF. ...Farmer on ABC noted Parliament gave Ecevit rousing welcome, and

Ecevit said he hoped US would not carry out threat to end aid. ...Ecevit said US was objective and neutral, and it was Greeks who instigated incident. ...On ABC Ecevit said he "hoped incident would bring Greeks to bargaining table." When asked about Schlesinger's remarks over weekend, he said that Schlesinger was basing facts on presumption, not on correct facts.

Cypriot Ambassador Dimitriou denounced killing of US counterpart in Nicosia as "terrible and atrocious crime...indicative of desperate and confused situation." ...Makarios said he was perturbed and deeply grieved. He blamed terrorists who overthrew his govt.

NBC noted US/Britain have agreed to get Cyprus peace conf going again, tho no specific plan being pushed. ... In gesture to Athens, says AP, HAK said US "Will use our influence to take into account Greek honor and dignity" as US plays a major role in work toward settlement.

ABC w/film of HAK saying Davies' death was "tragic event." Koppel said HAK gave "strong impression that efforts were in progress and phone call w/Ecevit already produced results." Koppel said HAK was "conciliatory but firm." Koppel said "time to negotiate is now before status quo on ground is irreversible." ...On CBS he said US willing to help Greece in any way possible, but that US will not be pushed by threat of NATO w/drawal, or demonstrations. (ABC note) He said situation is not of US making, adding while US will try to be helpful we cannot solve all world's problems.

HAK, in defense of arms to Turks said US considered it, but once done would have a drastic consequence on US relations w/Ankara. "There is limit to what diplomacy can achieve," said HAK. Situation in Cyprus slanted toward Turks not as result of US policy but because Greek govt. that preceded Karamanlis that acted to destroy balance between Cypriot communities.

Fulbright said Cyprus has degenerated into such chaos that Geneva talks probably won't be able to restore control: He called Davies' shooting a tragedy which is going to "exacerbate the feelings." ...Byrd said HAK should travel overseas to find settlement to conflict in Cyprus. Byrd said it's important US do all it can to "cool things" and show Greece how important US views situation. ...Scott agreed HAK should go overseas." ...And NBC's Valeriani said it may take HAK's "personal involvement" to get settlement.

Stennis said, Davies killing could not be ignored by US. ...Symington called shooting "very sad affair" and said "I don't see how this can bode well for future." ... Percy said GF should publicly deplore Turkish violations of CF and urge end to military intervention on Cyprus. ... Brademas and Sarbanes called US policy in Cyprus a "calamitous failure" and urged aid to Turks be cut.

Sevareid said there are thousands of homeless on "shot-up" Cyprus, an Ambassador's dead, and demonstrations jam streets of Athens against US policy, and against HAK in Washington. "Flash point has now passed." Stronger expression of sympathy from US for Greeks no doubt might've eased Greece's pain. Official reasoning was that US had basic choice: to directly intervene at start, or take lumps we're now getting. It's "fair assumption," Sevareid cont'd, that Turks took more than they wanted as bargaining chip. And US has known it at least since Fri, yet officials "spent weekend scolding" Turks for doing so, even while they knew they'd give it up. Soviets w/forces adjacent to Turks, had as much power -- perhaps more -- as US to stop Turks, but they also did nothing. It's an old story, Sevareid said: govts presumably open to pressure "hammered at" and those presumed closed, "left alone." Good to come out of all this is Greeks now have democratic regime, he concluded.

AP leads: "Greek govt. ousted entire top echelon of military chiefs in what was seen as attempt to strengthen civilian control over armed forces." ...Karamanlis recalled Lt. Gen. Arbouzis from retirement. ...CBS called it "political housecleaning."

OTHER FOREIGN AFFAIRS

S. Korean cabinet resigned, taking responsibility for assassination attempt on Park that killed his wife. Premier Kim and all other cabinet members resigned after emergency meeting and almost at same time all key members of Park's staff, including Chief Sec'y and Park's security chief submitted their resignations. Moves came 1 day after Mrs. Park's burial.

State sources said US refused Soviet cruise ship Guam docking for fear of spying on military facilities. Source said "because of presence of a number of imp. installations on Guam, visit by Soviet ship was considered not to be in nat'l interest."

Church said Hill must choose between strategic arms reduction or continuing arms race "masked behind facade of cosmetic agreements." Church said until super powers agree to "real and substantial cutbacks," SALT will remain "more shadow than substance, way stations on road to Armageddon."

Herzog said Israel should offer home port facilities w/out waiting for US request in light of Oct. war Soviet supplying weapons to Arabs.

US/Egypt agreed that question of representation for Palestinians should be deferred until Geneva conf. resumed.... Israel said HAK clarified US position in apparent dispute over Israeli w/drawal from occupied Jordanian territory. Govt officials refused to disclose contents of message.... Fahmy said Egypt will ratify '68 nuke treaty when moment Israel does.

Ethiopian army launched unprecedented personal attack on Selassie as source of Nation's problems, in attempt to force monarch to abandon throne. Military has also succeeded in persuading PM Imru to stay on.

UN official predicted Law of Sea Conf. wouldn't reach agreement.

Justice Powell denied bail to Calley who had sought release while attys appeal.

BUDGET/ECONOMY

Magnuson/Cotton will meet w/GF 8/20 to discuss spending priorities regarding Labor-HEW. As measure passed, it added up to \$33.5B and is 2nd only to DOD. Magnuson said he appreciated prompt response by GF to discuss bill and looked forward to "productive meeting."

Prox. said GF will not be able to balance budget this year "even tho Hill has performed fiscal miracle" by cutting \$6 to \$8B. Prox. predicted overrun of \$5B.

All nets noted CLC received House approval. ABC said it should pass by Labor Day.

Awaiting GF's signature is \$11.3B HUD bill FHA expects to provide vital aid in driving down costs for home buyers. Lynn said he expects GF to sign, tho he cautioned his understanding based on staff, not personal promises from GF.

NBC Poll showed 54% favor wage-price controls, 35% opposed, 11% no opinion/not sure. Lewis said public's "ahead of GF" on favoring w-p controls.

OTHER DOMESTIC

"Alphabet bomber" said he's responsible for weekend chemical explosion that leveled downtown L.A. warehouse, but police and fire officials discounted claim.

Aluminum Co. of Amer. will discontinue production of household aluminum foil, "Alcoa Wrap." NBC/CBS noted.

NBC's Paxton said reasons behind UMW's shutdown are to show it "means business" as contracts come up for renegotiation in Nov, and to put pressure on eastern Ky. (ABC noted), where UMW's unionizing efforts are being resisted. UMW spokesman (on film) noted letter from steel industry pleading to call off "memorial," as not in Nat'l interest. He replied "slaughter of thousands of miners not in Nat'l interest, either.".... Shutdown affects miners in 22 states, 500 mines....Large rally, w/thousands to be bused in, set for DC Tues.

House voted return to Standard Time from Nov. to Feb. Now bill goes to Comm. all nets noted.

ABC/CBS noted U.S. Woman's softball team won world championship over Japan 3-0. (Last Fri.)

GF-CHICAGO

UPI leads: "GF, his mind still not made up about VP choice, arrived in Chic. to address VFW -- his 1st trip since being sworn in as chief exec."...Over film of O'Hare deplaning, CBS' Jones said AF 1 arrived w/word of another change--that craft will be called simply "AF 1," not "S'76." Still, RN name "lingered on," said Jones, as GF/BF wrongly announced (all nets noted). Trip was aimed at setting more of GF Admin tone--that being "Pres. of all the people."

Over film of motorcade, CBS said Daley was missing but "his forces were out," w/approx. 100,000 lining route. ...ABC film of motorcade, w/Jarriel saying embarrassment of wrong intro "didn't last long," and NBC said Chicago knew who they were.

Jarriel said tho Daley not there, due to illness, "he gave his blessing, guaranteeing spectacular welcome." Film on all nets showed fireworks, banners, river tugs w/water spouts, which NBC's Brokaw called kind of reception Daley likes to arrange, tho there was different kind of crowd at hotel, w/all nets noting Greek-Americans. NBC said GF accepted letter from group, tho he didn't talk to them. ...UPI said Chicago's welcome left "nothing to be desired." CBS said GF spent hr. in room before speech, writing, and gave Percy 25 mins.

UPI leads: "GF told a stunned audience of ex-GI's he's prepared to consider conditional amnesty for young exiles who refused to serve in VN and who now are willing to 'work their way back' into US society." While vets sat in "shocked silence," GF said he'd asked Saxbe and Schlesinger to report on status of those in trouble w/law because of their stand on military service. ...GF's remarks on amnesty weren't included in text distributed before departure, notes UPI. Decision to include subject either was deliberately concealed to avoid leaks, or wasn't finally made 'til GF was en route, says UPI.

GF asked top Cabinet members to determine how evaders can "work their way back into US society." He rejected amnesty, as he rejects revenge. "I want them to come home if they can work their way back," said GF. ...3 VFW delegates on CBS, 1st supporting GF, saying US has not returned to Napoleonic era, 2nd saying if they want to return "let them pay the price," and 3rd (married to disabled Marine) said she wasn't for giving "them anything."

It'd been expected GF might announce he'd sign vets bill w/23% hike for vets attending school. AP says GF's comments indicated, tho, he's still looking for some anti-inflationary cuts in vets' measures and perhaps DOD as well.

GF said his Admin's pledged to "humanize" VA and improve its management. "I want no arrogance or indifference to any individual, vet or not, ...the govt's machinery exists to serve people and not to frustrate or humiliate them," said GF. He declared he can't stand "red tape," adding, "in fact--I don't like any kind of tapes" ...CBS called GF's ref. a "subtle jab at his predecessor." ABC/NBC also w/this dip.

GF's amnesty stand faces strong opposition, as DOD's consistently opposed even conditional amnesty and says that only 3% of deserters were motivated by anti-war feelings. Others fled for traditional reasons: inability to adjust to military, financial problems, etc. said DOD. But Laird/Froehlke both advocate it, while Callaway considers it Pres'l decision, not a military.

ABC's Reynolds, in live coverage (only net), said "By far the major development" in speech was GF's rethinking of policy and "nation's attitude" toward VN evaders. Reynolds noted "big roar" to GF's opposition "blanket amnesty," but there was "stunned silence" when GF said he, like HST and Lincoln, was faced w/binding the nation's wounds and spoke of earned re-entry for evaders. Reynolds said he spoke w/ "some eloquence" in reference to bringing back men who left US in exile over VN.

Pierpoint on CBS said GF revealed on AF 1 he'd been thinking about amnesty for some time. ...On film GF said to have picked audience that'd have been "ecstatic" to announcement would've been "cowardice." He said VFW audience was "wonderful." ...Pierpoint said GF said healing wounds of nation means more than just Wgate. He said you can't talk of healing less you use it in "broadest context."

GF in shirtsleeves told press aboard AF1 he was "still thinking about" VP. He said he "hasn't told anybody. I'm a sphinx." When asked about Bush charges, GF said it wouldn't have any "more effect than stories about Rocky." In choosing VP he said he would "have to take into consideration who'd be a good President, and there's a broader parameter after that." He wouldn't discuss it further. NBC/CBS noted. ...ABC reported GF added "we'll have a few more surprises."

Hartmann said he thinks GF's "narrowed it down to maybe 6." He gave no names, saying "this is properly GF's secret until he makes up his mind." But, he said, nominee will be GOP and current possibilities are "not all in any 1 class," such as Sen.'s, MCs or Govs. As speculation continued there were indications GF may select someone other than Rocky/Bush, says AP.

Jarriel on ABC said all indications of top aides GF's made decision on VP and will make several calls "to ease blow" and make announcement Tues.

NBC reported GF said he'd told his children Sun. nite that he was thinking about amnesty -- they gave favorable reaction -- but he didn't tell them of his decision. ...Kandy Stroud in WWD reports Jack Ford, pre-VFW speech, "very much" in favor of amnesty for VN evaders and Gayle for "conditional amnesty." Jack said "it is much more important to be forgiving" than to find fault w/others. He said he hoped his father would grant amnesty. "It's one of things I'm going to try to talk to GF about when proper time arises," Jack said. Gayle said she thought "a lot of people who decided not to serve had a lot of integrity" and feels they "should be asked to serve country in some capacity."

H.K. Smith commented, "Well it happened, something I bit my tongue for all last week that I would say on the air, was done by man who introduced our first couple as Pres. and Mrs. RN." He recalled Rocky introducing "the man everyone knows, 'Richard F. Nixon.'" It was like having to remember change in year. Titles are worse he said. Do we call Averill Harriman Secy, Gov. or Ambassador, saying "he's been all 3 w/ distinction." He said Rodino referred to "Miss Jordan," but Ms. Holtzman;" both single but insist on separate titles. HKS said "it all matters," and that if "you do it wrong, you can get in trouble." He noted HAK solved all problems of salutation upon becoming Secy. of State when he told reporters "don't stand on formality, just call me Excellency." HKS concluded, "that assured they never would, and they never have."



OTHER ADMIN

NBC/CBS w/film of "moving day" for GFs. NBC's Rowan said it's not every man who can schedule business trip out of town on same day he moves, but after GF (on film) saw all those boxes he said he was glad to be going. Both nets noted GFs plan to use same bed. Over film of Susan, Rowan said she packed some of her own things, like any other family on move, but that's where similarity ended, as film panned truck approaching WH. CBS, in briefer clip, noted Family will leave behind it's "most prized possession -- the pool." Concluding w/ film of Steve welcoming parents back from Chicago on South Lawn, Chancellor said "and they have our very best wishes."

-----"America's new First Family is refreshing," says NY Daily News' Wood in 1st of series. One must go back to TR to find family so close-knit, yet so charged w/ energy in doing own thing. While children thought they were ready for emergence onto world stage, "they hadn't seen anything yet" in terms of pursuit by media and public gawking. As for all 1st Families, 1st and foremost invasion of their cherished privacy is Secret Service. Director Knight assured them USSS was "not going to want to know what's going on inside," but outside. Jack assured others the protection was good, noting his belief he was followed more than once. Says Ms. Wood, "those who were turned off by Loud family...should have their faith restored by acquainting themselves w/ Ford Family."

WWD called BF's press conf a "disaster." Originally scheduled for Mon, postponed til Tues. morning, and "true to form," BF did not arrive til 1:26. "Serene and smiling," she "sauntered" out "wearing emerald-green linen" to greet newsmen who'd waited in sun for an hour. She gave them "exactly 6 minutes" and made no apologies tho she'd been told they'd been waiting. According to Helen Smith, BF was disturbed group was so large -- "she thought it was just going to be group of 5 or 6." Aides explained mix-up due to "lack of staff," Stroud notes.

WWD reports Fulbright thinks GF will be "a good President." He said "I don't know what he'll do w/economy," but GF has attractive personality and it's most encouraging he's taken great interest in Reedy's book, "Twilight of the Presidency" and recommended it to his staff.

Stan Scott told Amsterdam News GF is "quite sensitive" to problems of minorities. He urged blacks/other minorities to give GF an opportunity to demonstrate that concern, and not prematurely judge him because of conservative background. News noted GF as VP met w/ cross section of blacks and other

minorities, has adopted open door policy, and is expected to dispel mistrust of past. Scott said he's "hopeful that from what GF's indicated we'll begin to erase artificial barrier that's existed." Scott said GF has also sought advice of Arthur Fletcher. Priority item on agenda is economy, said Scott. Spirallying costs, rising unemployment have sharply affected black community, where teen unemployment is alarming. It's an area GF has given some attention, said Scott.

Correction: Pg. 13 of Weekend Review wrongly referred to "Staffers." Should have indicated Staggers said United is party to CAB proceeding.



RN/W' GATE-RELATED

Schoumacher in clip noted all lawyers smiling when they arrived at courthouse. Special Pros. office agreed trial should be delayed. "Everyone agreed but the man who counted," and he was "determined to hold a schedule," said Schoumacher. Wilson, atty for HRH, said "you're not going to give us a fair trial," to which Sirica snapped, "'that's your opinion'." Schoumacher said there was definite surprise by ruling but "like so many others, Sirica thinks 2 years of WG is enough" and wants it over by Christmas. Schoumacher noted angry mutterings inside but lawyers held to Judge's gag orders outside and gave little information to press. ...Sirica said "there is no better time to try this case than present."... He said he wants to see end of this some time" and "I think the public wants that too."... Neal had argued that, w/ copies/^{and} transcripts of 20 of 64 tapes to make available to defense, it'd be difficult to have all 64 tapes available by time of trial. He also said 30-35 major witnesses would be called.

HRH/JDE immediately appealed ruling. JDE's lawyer, Hall said he'd take case to Supreme Ct. if necessary.

All nets noted Jaworski filed papers w/GJ re: Hughes contribution of \$150,000 and Rebozo's alleged misuse of \$41,000 to improve KB and buy earring set for PN.

Judiciary report will be filed Tues. and House will be asked to accept and print it in Record.

David Eisenhower in Pierpoint interview on CBS AM said RN's resignation didn't proceed from sense of being hounded out, but from sense that political base had eroded. If RN went forward and attempted to sort out WG, it'd have taken Hill "5 1/2 months to deliver a verdict." RN's family had "come to grips" w/issue of whether a crime had been committed, but "political considerations had to be foremost." Lot of people caught by surprise, said David, who felt rules were used unfairly against RN. In balance, it was a "valuable exercise in govt. examining itself." David said it takes a certain temperament for politics, which RN's reputed not to have had. David said he and Julie had training for public life, and Julie has the temperament. If something came along they felt strong about, they would speak out. But David and Julie have not patterned lives toward politics. He said it's great relief to be out of pol. arena.

Campbell in L.A. received mailed subpoena. He'll serve it Tues.

Rhodes predicted RN will admit some degree of guilt in WG cover-up.

Haskell's against RN immunity from criminal prosecution. Haskell said, "feelings of compassion for RN cannot be allowed to denigrate laws and constitutional structure."

WWD reports Fulbright said he thinks it'd be better for US if RN was spared prosecution. He said he agrees w/GF that it's time for "conciliation and compromise." He predicted RN would go down in history as a "very political and personal tragedy," despite foreign achievements.

CBS noted Barker and Martinez housing development office burglarized last weekend.

POLITICS/LATE NEWS

Rhodes said he thinks Hill Dems will stall confirmation of nominee til after Nov. elections.

"I would be greatly surprised if he (the nominee) is confirmed before the election," he said. "I think they're playing politics, at least some of them are."

Results of NBC Poll on '76 preferences found GF w/58%, EMK w/30%, no opinion/not sure, 12%. Poll conducted day after GF's speech to Hill before GF became Pres., he was running even w/EMK, said Lewis...NBC's Poll of VP preferences found BG w/16%, Rocky w/16%, Baker 9%, Bush 7%. Pollster Lewis said best choice for GF depends on whether he wants to win in '76. While GF/BG strongest in same areas, Rocky's strength is more evenly distributed. Too soon for impact of GF presidency on '74, but Lewis thinks Dems will do well.

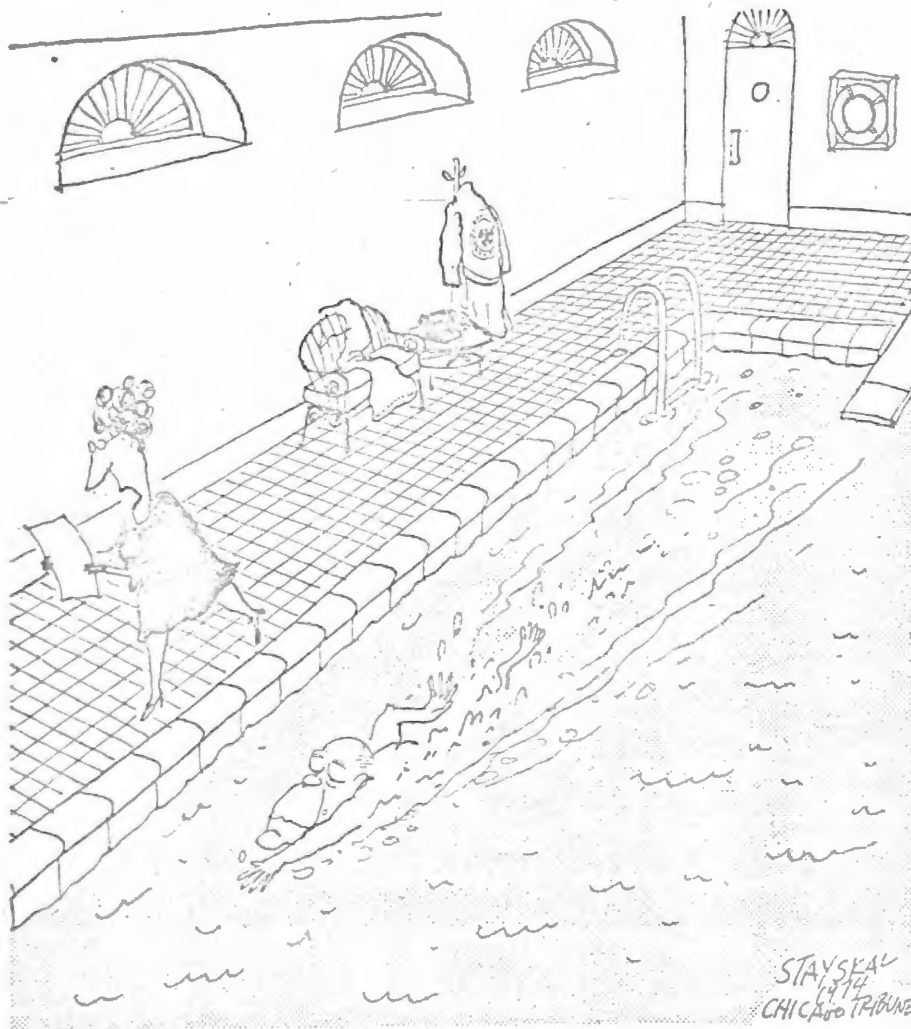
Strauss said he doubted reform delegates to meeting on "mini-convention" could've talked out of walking out of Kansas City Meeting. Strauss said Brown, delegate from Calif., planned to walk out prior to any issues being discussed. Brown was having problems in home state and had his interests to look out for, Strauss said.

Albert said Hill staff employment office would no longer accept requests w/discriminatory restrictions. He said Joint Comm. investigated allegations of Ft. Worth Star-Telegram and concluded "no MC personally involved."...Justice said it lacks authority to investigate allegations...and CSC said it, too, lacked authority.

Political equation has changed, says Greene in NY Daily News, and Dems are in search of another issue (in lieu of W'gate). Tax bill, says Greene, is considered "just the ticket," Dem MC said it's a bad bill, labeled tax reform, but w/little reform in it. But w/GF in WH, Dem cont'd, MCs may want a vote they can show voter.

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Stayskal



"Read the VP list again? . . . Nelson Rockefeller, Howard Baker, George Bush, Donald Rumsfeld, Mark Spitz . . ."

Wayne Stayskal's cartoons appear weekdays in Chicago Today.

Chicago Tribune, 8-18-74

WEEKEND NEWS REVIEW
August 20, 1974
(Nets, wires, papers)

The major stories:

- AP leads: "Industrial area in Los Angeles looked like war zone after giant explosion apparently started by chemicals tore apart one bldg and set 3 others on fire." Led Sun. NBC (only net), which reported that so-called "Alphabet Bomber" was feared as cause. Over film, NBC said one square block was "completely devastated," tho only 4 injured, one seriously. Initial damage put at \$5M...In #7 and #3 reports Sat., NBC/CBS reported on growing tension in L.A. over Alphabet Bomber, who's taken credit for 8/6 bombing at L.A. Internat'l, and is threatening to progress alphabetically thru word ALIEN -- clues to locations -- w/ more bombs. He called off Sun. explosion, and informed police where to find bomb in Greyhound station Locker. Letter "I" is next. L.A. has fielded more than 1000 addit'l police to comb possible locations. Mon. is bomber's deadline.
- While Turk Def. Minister said they'd "fully abide" by CF, Turk forces briefly violated CF around Nicosia, and NBC reported press allowed to see Turk map of strongholds south of Famagusta -- beyond stated intentions. NBC noted Schlesinger said Turks have gone too far. NBC/CBS Sat. noted Greeks blaming US, and Sun. NBC w/ film of demonstrators in both US/Athens. Carayannis called HAK's offer to mediate "presumptuous," adding "it's too late for everything, now..."...Clerides, in 1st decision since CF, ordered all Cypriots to work 7 days/week to restore what NBC noted was land where "everything's in absolute shambles."
- Both Sat. nets led w/ WH charge of right wing extremist attempt to discredit Rocky w/ charge he bankrolled effort to undermine '72 Dem convention. WH turned data over to Spec'l Pros., who subpoenaed bank safe deposit -- found empty -- where copies of Hunt documents said to support charge were allegedly deposited. Phila. atty Hamilton Long behind charges.

On NBC he said his motive was to enable GF to take information into consideration, denying any bias tho he does think Rocky was "fundamentally unsound" in backing Labor strikes against govt. JtH said WH considers matter closed. But Pierpoint on CBS said judging from way WH handled it, Rocky's not at top of VP list....Newsweek reports Bush "slipped badly" on VP list because of "irregularities" in '70 Senate race finances. NBC noted.

- Dem reformers walked out of party charter commission to stop "gutting operation" by regulars, in strong disagreement over minorities' role...Long renominated w/ 75% of vote, leading La. delegation incumbents. Only Rarick forced into runoff.
- UMW's 5-day "memorial" shutdown expected to begin Mon.

* * *

CYPRUS

Turk troops on Cyprus cut next-to-last road from Nicosia to Sea and panicky Greek-Cypriots fled by hundreds, fearing final link would also be cut. Clerides inadvertently touched off exodus from Nicosia by declaring on TV that Turks were aiming to cut off capital. ...Cyprus radio denied reports of fresh Turk troop movements to surround city and appealed to everyone to return to jobs and begin rebuilding.

Turks shelled Greek-Cypriot tanks 10 miles south of Nicosia. UN forces said there was no apparent provocation for the nearly 6 hr. barrage.

Red Cross said thousands of Greek-Cypriot refugees pose an "emergency problem." 100,000 are camped in S.E. Cyprus and 10-12,000 are taking refuge in south/southwest regions.

From Famagusta, NBC/CBS called it Cyprus' "richest prize," w/port and tourists. As Turk "liberators" received, "on one doubted they were there to stay," said CBS. But damage to Famagusta not done solely by Turks, both nets said, as Greeks mortared/shelled town on way out. ... From Kyrenia, NBC's Utley said empty town is Turks main base for northern 3rd. W/350 captured Greek-Cypriots held in hotel, Turks have not done much for them, tho they've not been mistreated. Food is low, said Utley, and Greeks are getting desperate. Utley said Greeks are in mild shock, wanting to return to normal lives. But normally may not be possible, Utley concluded, w/Turks controlling their lives.

Carayannis said "there's feeling not only in Greece, but in Europe, that US could have prevented what happened if it acted earlier...it's too late for everything now..."

AP leads: "Thousands of Americans of Greek descent demonstrated peacefully Sun, marching around WH in 4-hour protest against US policies on Cyprus." Crowd estimated at 17,000.

Police said the US embassy in Athens had been reinforced in case of violent demonstrations. Police halted an attempt w/out incident Fri. nite....Braelis on CBS reported US military told to keep "low profile," and check autos for bombs. Greek official said it'd be premature to say Greece wanted US ousted, but he wouldn't deny possibility. Braelis said US Embassy in Athens now on "24 hour riot alert."

Diplomatic sources said that British Amb. Hooper and Tasca, who met w/ Karamanlis, were told Greece was against further talks under present conditions.

Cyprus VP warned if Geneva Peace Conf. doesn't begin soon, he and his fellow Turk Cypriots will set up their own admin.

Athens required US to give 6 hours notice before departure of recon flights from Ellinikon Air Base.

UPI says legal and political status of US bases in Greece would be unclear should Greece wish to kick US out; w/drawl would probably have to be negotiated, according to lawyers examining treaties. ...Most military specialists say Greek military w/drawl from NATO would do little to harm NATO's southeastern flank defenses, tho it'd delight Moscow and force Navy to find new ports and deployment strategies, says UPI analysis. Allied diplomats in western Europe share hope that once emotional reaction subsides, Greece may w/draw threat. But even if it does not, sources say Soviets not likely to exploit new gap because it places higher priority on continuing detente.

UPI analyst says seldom has USSR been so passive in crisis, as during Cyprus case as "men in politburo sat rather quietly and watched." Greece's w/drawl from NATO was unexpected gain, but Turk's victory in Cyprus was contrary to Soviet aim to keep it neutral. Since Makarios' overthrow, USSR has been able to influence events on Cyprus, but western diplomat said Soviets have been "very frustrated" over Cyprus...they didn't like Geneva conf. because they didn't have voice in it and they've been anxious to transfer action to UN. But Soviets apparently haven't come up w/policy to deal w/new situation, he said. Another reason for USSR's limited response is concern for detente with US and GF. UPI says USSR can't be sure how deeply NATO's been wounded but will have to watch events take their course before they can get larger piece of action in UN.

US issued "blunt, public warning," said NBC, when Schlesinger warned US considering aid cut-off. Schlesinger (on film) indicated Turks had moved beyond what any friends were prepared to accept. ... As for Soviet role, Schlesinger said they have played it very carefully. "It's a case of the cat watching the canary."

Schlesinger hint US may cut off military aid to Turkey was strongest criticism to date by Admin official of Turk action, says UPI. He also indicated Turks may be pressed in negotiated settlement of crisis to give up part of territory now held. Schlesinger's criticisms appeared designed in part to restore friendly relations w/ Greece. When asked why US hadn't cut off arms to Turkey, he said US will have to examine this question very seriously in days/hours immediately ahead, calling the spillover of Turks into new areas a "new element to the problem and we'll have to take cognizance of it." Controlling 55% of arable land is probably regarded as inappropriate by most objective observers, Schlesinger said.

Turks may find most difficult fighting ahead, says UPI. Turks hope to create autonomous Turk-Cypriot zone, but it may create another VN. Greece expects more fighting on Cyprus in 2 phases. Turks expected to gain in northern Cyprus, then guerrilla warfare, a specialty of Greeks.

Jackson said Admin's failure to put diplomatic pressure on Turks may've weakened new Greek govt.... Ribicoff said he and EMK will cosponsor bill to cut off US aid to Turkey.



MIDEAST

UPI leads: "Hussein convinced his talks w/GF and HAK have paved way for true ME peace, met w/ Schlesinger to discuss Jordan's defense needs."...GF's 1st week has convinced most Arabs that US drive for ME settlement will continue unabated, says UPI.

All nets noted Hussein said he had "very satisfactory talks "w/Schlesinger, w/one topic rise in cost of US military equip't... Hussein said GF accepted, in principle, invitation to visit Jordan. He described GF as "open, sincere, an able person " and said he's developed "high degree of respect and feeling of friendship" for GF.

Hussein renewed offer to negotiate military disengagement w/ Israel and said he'd welcome HAK's "shuttle diplomacy." He doesn't look for early resumption of Geneva Conf. Hussein believes they'll have to accept period of time to give HAK chance "in light of changes which have occurred," in ref to RN's resignation says UPI. He insisted RN's departure hadn't destabilized the ME or lessened US effort to promote peace...Israel said it's ready to work toward peace w/Jordan but rejected demand that forces be w/drawn from West Bank.

US-Egypt will sign agreement Mon, w/US promising about 100,000 tons of grain. Simon/Fahmy completed the agreement.



Arab World authoritative daily news digest of ME affairs, reported Egypt facing severe shortage of spare parts for Soviet-made military hardware as USSR has sent no equip't since Oct. war. Mag said Sadat discussed problem w/ Rumanian and Bulgarian leaders during June visit, but apparently w/out solution.

USSR agreed to double price it pays for Iranian oil. USSR had sent special mission to Iran after threatened cut of their supply.

Saudi Arabia slashed domestic gasoline prices and other petrol products to fight domestic inflation. Some reductions reached 44%.

Khadafy/Sadat met for what sources called fence-mending. Khadafy has criticized Sadat's war/peace policies while Sadat accused Khadafy of sabotage in Egypt....Diplomatic sources said Sadat probably agreed to visit w/ Khadafy because Sadat's major concern is achieving common Arab stand before Geneva talks.

Jerusalem's Greek Catholic Archbishop arrested on suspicion of smuggling Arab terrorist weapons. Surprise arrest of Archbishop Capudji shocked communities of 200,000 Christians under Israeli rule. The Greek Catholic Church is under Vatican authority, tho Archbishops aren't Papal appointees. Detention of most important Israeli-based prelate ever linked to Arab terrorist activity had been kept secret while diplomatic efforts were made at all levels, including Rabin. According to AP, well informed sources said Israelis had been willing to allow the Archbishop to leave country quietly. But military decided his activity too important for mere departure.

OTHER FOREIGN AFFAIRS

Head of Soviet delegation at stalled Sino-Soviet border talks in Peking headed home for possible consultation w/ Brez. Tass didn't note Brez., but diplomats said Brez ended his crimea vacation and returned to Moscow.

Pravda said quest for nuke disarmament remains priority item in US-USSR relations....Schlesinger declined to agree that Soviets had stalled in arms talks prior to RN's resignation, but admitted they took "an unduly hard line (and) were prepared to sit it out." ...Soviet cruise ship carrying 700 Japanese businessmen/tourists barred from Guam by Navy, Pacific Cmd said, on orders from State. Believed 1st time since detente that

Soviet commercial craft barred from US harbor. State spokesman said he couldn't comment, "because this is honestly 1st I've heard of it."

World Bank stix show Britain, France and Italy borrowed heavily in Euro-currency market during 1st 6 months of '74, in part to pay oil bills.

Head of Venezuela's largest private business organization publicly denounced govt plant to nationalize US and other foreign oil co's as premature and punitive.

Sun edit advocates GF discard "stubborn" US stand against Cuba. "Hapless" State officials tried to justify RN's policy w/ "shopworn" stories about Fidel's activities. GF would be improving US relations w/ most neighbors, Sun concludes, by normalizing US/Cuba relations.

NVA launched new attacks w/ tanks about 20 miles northwest of Saigon. Saigon also reported JMC field hq. hit, wounding 2 w/ 3 MIA. No JMC delegates were in bldg, w/ VC preferring to remain at own compound....Heavy fighting also was reported near DaNang and Saigon, and in Central SVN. Saigon said 463 VC and NVA and 70 ARVN soldiers were killed....CBS Sat. reported ARVN stopped NVA attack, but NVA heavy artillery 20 miles south of DaNang continues to harass them. Heavy attacks, RN's resignation, led to full alert that's still on. NVA drive may be part of drive to open new route to sea, or to open new supply road. Whichever, said reporter, it's left SVN w/ bad case of nerves.

Thousands of mourners cont'd to pay respects to Park's wife....Man who attempted to assassinate Park got instructions from N. Korean agent aboard a ship in Japan, S. Korean spokesman said.

Large sections of Luzon in Philippines were flooded by worst monsoon in 2 yrs.


Floodwaters began to recede from Bangladesh and eastern India, where death toll exceeds 1500 and food shortages threaten millions w/ starvation.

NBC/CBS noted Selassie's chief bodyguard arrested by Ethiopia's army, further isolating the diminutive "lion of Judah," now virtually a monarch w/out a throne, says UPI. Arrest indicates that Air Force has joined army movement.

19 inmates, including top IRA commanders, bombed their way out of highest security Belfast jail and escaped.

USDA under increasing pressure for action to limit or at least monitor grain exports closely in coming months, will review export outlook in talks w/ major foreign customers during next few weeks.

30 special planes brought 4,000 vacationers home Sun, happy they escaped almost untouched by collapse of GB's 2nd largest travel firm. More than 30,000 who traveled abroad w/ Court Lines' 5 subsidiaries still faced prospect of abbreviated vacations and lost money. Of particular worry were 200 British and US vacationers in USSR. Another 100,000 customers, paying as much as \$720 in advance, apparently had little hope of getting it back.



DEFENSE

Schlesinger said if US is to maintain its international commitments, "steady cut-down of DOD is not tolerable." He said most cuts were in R&D, which he called mortgaging our future."

Trib's Maclean reports major DOD cuts were, according to State official, "'fruits of RN's unwillingness to work w/ Hill on foreign policy.'" If bill is passed, source cont'd., "'foreign aid will cease to exist as foreign policy implement.'" Maclean noted WH official said GF intends to fight to restore cuts, but it'll be "'rough as hell'" to get it all restored.


Hartke called for increased vets benefits, including low-cost housing loans. Bill just out of conference would guarantee benefits equal to vets of other wars. He suggested VN vets are most deserving since "they served at time when many found loopholes to escape service" and "stood the test when it wasn't always easy."

NBC noted trip to VFW, where Nessen said GF's expected to name VA head. ...Sat Trib carried VFW's Soden's amnesty comment. Pg. 1, also saying BF's attendance was apparent "quick change" in plans. Report says more than 40,000 delegates were arriving. Soden also said he doesn't think US should rely much on detente.

AP leads: "US Army investigators found what they considered evidence of possible criminal misconduct by senior DOD officials in awarding of \$40M advertising contract, but their recommendation that case be turned over to Justice was rejected..." Instead, Army referred matter to its own IG for what has been officially termed a continuing inquiry aimed at "improving mgt controls." Army says criminal aspect of investigation closed. However, CID report said Justice should immediately be apprised of facts. Tho not done, Justice is known to have copy of report and reportedly has no reservations about handling of case. CID reported that decision to select Ayer agency for All-Volunteer ads, over 6 other firms might have been wrongfully influenced by high officials. CID didn't find anyone received favors, but circumstances of award and "certain unusual relationships between the parties concerned" merited further check. Among those named were Froehlke, Kelly, and Wm. Kraus, member of contract awarding board, and a Kelley ass't. ...Army denied that CID found evidence of criminal conduct, but conceded project may've been mishandled. Spokesman said no recommendation made to Chief of Staff to turn case over to Justice.

Aspin said Navy plans to spend \$1.1M this year to install weather modification devices aboard its ships. He said such action would be "clear-cut defiance of official US policy." Navy said program was no secret from Hill or public and was only to develop ways to reduce fog and thus "increase effectiveness and safety of naval operations in adverse weather conditions."

Marine Corps' Major Gen. Gourley says DOD survey shows about 60% of US youth want nothing to do w/military "no time, nowhere, no-how."



ECONOMY/BUDGET/LABOR

Gallup reports US almost equally divided on question of impending nat'l depression. 46% polled said they think nation's headed toward 30's-type depression, while 44% did not so think. 10% had no opinion. NBC noted...In same poll, 68% believed economic situation would worsen in next 6 months, 13% though it would improve, and 4% had no opinion...Time mag poll, from mid-July, reported 28% considered selves in deep financial trouble, and 70% regarded inflation as nation's number one problem.

Analysts are betting there'll be rollback in prices for 75 autos as criticism mounts. One analyst thinks "GM will cut prices somewhat, but not to level Admin wants." Analyst said "I expect it won't come right way, but if Hill moves quickly to reestablish CLC, you might see partial rollback before prices go into effect in Sept."

While saying GF has "certain qualities" such as "openness and candor" which will help him w/Hill Holtzman predicted GF's 1st clash w/Hill will occur over budget cuts.

Butz said Madison Ave. ads were turning US into "snackers and gulpers" rather than people who eat nutrition foods. He said the man who complains about milk @ 43¢/qt. as "highway robbery," buys beer @ 80¢/qt. and soda @ 65¢/qt., even tho nutritional value of soda is nil. He said "trend has been toward increased consumption of beer, colas, and snacks, and decreased consumption of milk."

N.Y. Daily News hopes Mass Transit bill will pass so to give NYC enough to save their 35¢ subway fare. But News wants bigger truck provision "killed."

SCLC resolution urged GF to include them and other civil rights groups in planned summit on inflation, Inquirer reports.

Sun says there's "stark contradiction" between rise in nation's political spirits and decline in economic expectations. Because no one really expects GF to be miracle worker, any success he has will be applauded. Yet for all the uphoria, economic outlook has remained somber. Nation's joy in having new, untarnished Pres is "GF's most precious asset," says Sun, which he should use w/"vision and urgency" in hope that political optimism will prevail eventually over economic pessimism.

UMW's 5-day shutdown expected to affect Steel industry 1st, w/effects spreading to coal-burning utilities and RRs that haul fossil fuel.

Strikes at 2 GM plants and strike-cause layoffs in auto industry could idle 39,000 workers by Mon.

National Airlines said fed. mediator has indefinitely suspended talks w/striking machinists, dashing hopes for early settlement of 5-wk.-old strike. No date set for resuming talks...CAB spokesman said Timm "will in time" make decision on what he's going to do about removing self from pending cases. Staggers had written Timm that he'd improperly accepted "entertainment and hospitality of substantial value" from United Aircraft during June golfing wkend in Bermuda. Staffers said United is party in a proceeding before CAB.

Hoffa's again appealing terms of his clemency.

OTHER DOMESTIC

L.A. explosion sent up mushroom-shaped fireball visible 40 miles, as shock waves rocked most of city, w/windows and streetlights demolished. Blast carved 10-ft.-crater and twisted steel, broken glass and hundreds of shoes, from the warehouse, littered streets. ...In separate situations, NBC/CBS noted Alpha Bomber's purpose is arrest of 2 officers in connection w/'70 deaths of 2 Mexican Nationals.

Two confessed Yablonski killers, Huddleston and daughter Gilly, were given anonymous new identities and placed on probation for giving testimony. NBC/CBS noted.

Justice which has given states/localities \$3.2B in past 6 yrs. thru LEAA, plans to spend another \$20M to check results. "It's time to take hard look at crime control efforts to find out what really works," and put that knowledge in hands of state/local officials," said LEAA spokesman.

NAACP has decided to press Detroit-only integration plan, despite belief it could accelerate flight of whites to suburbs. Chief atty. for NAACP in Detroit case, said they'll press for busing to make racial composition in every school the same. "If there were only 2 white schools left and busing meant those whites moved out of city, then so be it," he said, adding "whites have no right to a private school system" run at public expense. ...CBS w/report on absence of black baseball team managers, despite ample talent, such as Aaron, Banks, and Wills. Explanations vary widely, said DOW, but one in common given by Bovasi and O'Malley (on film) is lack of experience as manager in minors, where most start. Almost all agree, report concluded, it is matter of time -- but when, no one really knows.

SCLC ended its 17th convention w/denials it was plagued by poor attendance and financial problems. Abernathy march was cancelled Thurs. by nat'l board.

EMK warned FDA not to take action against those who testified to their harassment when they tried to keep unsafe drugs off market. His warning follows Schmidt's promise to investigate "each and every charge" made by the scientists.

AP leads: "ABA ended its 37th convention after being urged by GF to continue its efforts 'to prevent the scales of justice from tilting.'" GF called legal profession a vital nat'l resource, and said "your energy and involvement renew our hopes for the future." James Fellers of Okla. succeeded Smith as Pres.

Dr. Charles Willie, the Episcopal Church's highest ranking layman, said his decision was definite to resign over action against ordination of 11 women. ...NBC w/film Sun. of Dr. Willey's resignation sermon in which Willey said while resigning his Church post, he's keeping his standing as communicant. He loves Church, he said, but hates sinful ways its dealt w/women. He said his resignation is attempt to join others in effort to rid Church of sexism. ...One of the new priests, Rev. Alison Cheek, said more politics than religion entered into last week's decision by the bishops to invalidate the ordination.

37th Soap Box Derby ended in a photo finish Sat, after 3 of 99 entrants were disqualified when officials ruled they had not personally built and designed their cars.

Carter urged fellow Govs. to write WIN provisions into welfare programs. He proposed such be written into statement on regional objectives being prepared by Comm on Future of South, but got little support for proposal. Blacks said statement glossed over residual problems of racial segregation.

AAA wants Hill to drop section of \$20.4B Mass Transit bill that'd increase max. load trucks can carry on interstates.

CBS noted Consumer Products Safety Comm. warned that unspecified number of baby cribs fail to meet safety standards. ... Form will reimburse any customer who returns crib.

Commerce report expects more settled, less dynamic US over next 2 decades. High and low ranges of anticipated growth between '70 and '90 forecast growth between 17% and 30%, in both cases less than the 35% gain registered in prior 20 years.

Adm. Denton, highest-ranking ex-POW said US morality is declining. Gay Libs, corpses of dozens of young men found buried are but results of moral decline, Denton said. He blamed moral downfall on overabundance of material goods and media, mainly TV "motivated by making a buck." He also deplored "alarming rate" of increase in pre-martial/extra-martial relations" calling them "a mere casual encounter."

Cindy Nicholas set record in her swim across Lake Ontario of 15 1/4 hr. The 16-yr. old Canadian was deluged with offers, consisting of more than \$3,000 in cash, new car, Arabian Horse, a trip around the world, and 2 tickets to the Canadian football league championship game. She cut 3 hrs. off '57 record. NBC noted.

Black Panthers Huey Newton booked for assault w/deadly weapon.

VICE PRESIDENT

AP leads: "GF declared Rocky remains in running for VP and criticized what WH official called attempt by right-wing extremists to discredit him."... Rocky spokesman reports Rocky provided funds to disrupt '72 Dem. Convention were "absurd."

WH official, who declined to be identified, said he was told Rocky was target of "right wing extremists," but couldn't be more specific.

CBS noted Jack Anderson printed "hearsay" evidence that Rocky bankrolled sabotage effort. Pierpoint said before noon Sat., WH confirmed GF ordered data turned over to Jaworski, and gave assurance GF would still make VP selection by Wed. Thus, only possible conclusion was that Rocky was ruled out, said Pierpoint tho JtH said GF says Rocky remains under consideration... CBS' Duvall reported story began w/ Long call and invitation from Buchen that he come in. Buchen called in another atty., Duvall Daid, who thought Hunt papers may exist. Duvall said while Jaworski office found nothing, and WH official accused extremists, WH may yet ask for separate Justice investigation... NBC recounted Long story, noting GF called it "deplorable." Kalber also noted GF took time Sun. to consider VP choice.

As he headed for golf course, GF said his partners (Laird, Arends, Mahon) would be "good advisers out there" on VP choice.

Newsweek quoted unnamed WH sources saying there was "potention embarrassment" in reports RN WH funneled about \$100,000 from secret fund into Bush's campaign against Bentsen, w/about \$40,000 not properly reported.... Bush could not be reached for comment, but his '70 State finance chairmen denied any irregularities.

Richardson said he's available if GF wants him for VP. He said he hasn't been contacted by GF, but added "I've been in public service for 25 years. and hope to serve another 25." Richardson advised anyone betting on him to get pretty good odds." Dole predicted GF would stay in office 6 years and said he would not accept VP. Dole said "I'm not certain I was ever under consideration at all." He said no one should be named where GOP would lose Hill seat.

GF/OTHER ADMIN

John McCormack said if GF follows course outlined in Joint Session speech, "it will be very difficult for him not to accept GOP nomination in '76." He called the speech "very touching...you could see from reaction of Members (he) was one of them and both parties had feeling of welcoming him back home." McCormack saw speech as indicating GF "willing to take a different approach" as Pres.

Kuttner in Post says tho most MCs believe GF will be less remote, less imperial and more willing to share power w/in Exec, Presidency seems to have lost none of its "enormous residual authority." And GF's Hill background could make him "stronger, not weaker, Chief Exec."

"GF Builds a Fresh Rapport," is head over Sehlstedt review of GF's 1st week in Sunday Sun. "'Era of good feelings'" ascribed to presidency of Monroe was in "full flower," says Sehlstedt of week ended. May be short-lived, but while in progress "everyone seemed to enjoy it immensely." Admiration for GF "flowed" and, tho Cyprus a sour note, almost everything else seemed to go well. Indeed, Sehlstedt, continues, if there was one common note sounded by WH visitors, "it was conclusion that GF is a good listener." GF's taking advantage of very unusual period in nation's history to establish rapport w/those who've been his philosophical adversaries, which Sehlstedt says is good for GF, good for his adversaries, and "possibly good for nation and GM, too." Rangel was "surprised and obviously pleased," and GF apparently made good impression on Govs. Visiting county execs seemed "equally pleased." Sehlstedt concludes that favorable reviews after Oval meetings will probably diminish in number and glow, but it's apparent at moment GF is, for now, "right man in right place at right time."

Chic. Trib's Siddon reports eastern lib MC overheard to say "'marriage is that period between engagement and divorce.'" Siddon forecasts "rocky" road for GF/Hill and, despite early compatibility, marriage to Hill "promises to be something less than perfect." Siddon notes lib MC predicts some rough battles on matters affecting cities, and Siddon says there are a number of pending bills, "anyone of which could end honeymoon," e.g., health, consumer protection, campaign financing and permanent spec'l prosecutor. Quie said GF will take "a little from this...a little from that," making Hill like it by talking to them, and Siddon sees GF working w/old friends so to spill least am't of blood.

Noting Metcalfe called it "a new day," Siddon calls it "a neat trick for any Pres." to make lib like Metcalfe happy and simultaneously get conservative GOP Crane to march to your tune. Trick was turned, says Siddon, w/ Crane's 1st invitation to WH social event in 5 years. Siddon discounts divorce, w/ something more like Rangel's "'common law'" marriage likely.

Anne Wood in NY Daily News said Hussein dinner guest list showed how friendly GF is w/ Hill, as 14 Senators and MCs, plus wives, were invited for entire evening, w/another 50 invited for dancing.

UPI lead on GF: "In 1st 10 days of his Presidency, GF has moved swiftly to expunge gloomy vestiges of RN Admin and establish his own imprimatur." Speed and determination of takeover symbolized by swift replacement of photos in corridors w/in 2 hrs. of inauguration. Assigning top priority to combatting inflation, GF quickly summoned Meany, and won pledge from mayors "to sacrifice" in interest of reducing govt. spending. He didn't hesitate to castigate GM, and in address to Hill, GF sought to exercise Wgate nightmare. He projected a conciliatory tone, unquestioningly reaffirmed freedom of press, and rejected illegal taps and other intrusions of privacy. "Hill loved it," says UPI. GF "set himself as model of candor and Midwestern friendliness." UPI called it "sharp contrast" to the way RN insulated himself from media. He's going to "keep up this sort of schedule for a while," GF confided, adding it's "really not so much different from way I was working before."

be

Prox will/carrying his opposition to Greenspan to Senate floor.

Evans-Novak said GF's privately using unique formula to determine who he may want to keep: highly confidential interviews by a few intimates w/ Dem chairmen and ranking GOP members of comms and subcomms that work most closely w/ Cabinet officers. It's Buchen's brainchild, say E-N, who also speculate Brennan a likely among 1st departures. Possible replacement -- Robben Fleming now pres. of Univ. of Mich.

AP's Shaw leads: "GF is moving to end political infighting between his advisors and RN holdovers by creating WH staff structure in his own image." Final decisions won't be made for several days, but sources said GF's given preliminary approval to structure that will differ extensively from RN's, and allow for direct and continuing contact between GF and major aides, rather than channeling contact thru single chief of staff. GF's 1st full week in office witnessed behind-the-scenes maneuvering and feuding, says Shaw, between his advisers and RN's, which Shaw said was reflected in sometimes

contradictory reports on Haig's status. JtH said GF didn't define what was meant by "duration," but others said it was AH's understanding it meant for duration of GF's term. Subsequently, sources said GF wants an "Ops Officer" to insure smooth flow of work and AH is most likely candidate for it.

UPI leads: "Things are going to be different at WH," promises JtH. No longer will WH media efforts be "Madison Ave PR approach. "This is going to be a professional operation, not a politicized operation." Old animosity re-emerged Fri. says wire, when JtH asked to explain role of Office of Communications. He said it'd continue to send Pres'l speeches/documents to media, but RNC would handle political matters. JtH's usually amicable relationship w/ press deteriorated at times when he attempted to explain details that hadn't been ironed out. He was also pressed to explain Buchen's relationship to handling of RN documents, papers and tapes, JtH read from "carefully prepared statement" worked out w/ Buchen and refused to stray from it or elaborate, wire observes.

Beckman in Trib reports JtH visualizes press office, including old Clawson shop, as "...a big wheel w/me at the hub." ...Beckman also said DeCair will be JtH's "principal personal ass't."



Beckman in Sun. Trib says "phone banks are being replaced" to needs of new occupants near Oval and RN speechwriters, "now anxious about job security," get some satisfaction out of being told GF talks very slowly. They quickly compute it'll take one-third fewer words for GF speech. Beckman said transition team's nearing completion, w/ report due Tues or Wed. Rumsfeld said he plans to be on plane for Brussels Tues. night, and Marsh (JM) said he expects no abrupt changes in immediate future. JM said GF's determined there be no disruption of govt during transition. Thus, Beckman says, any Cabinet changes will come slowly and w/ as little fanfare as possible. Two early appointments, Greenspan & Buchen, provide barometer of Admin structure says Beckman. Rumsfeld explained that if GF wanted CEA to be his chief economic group on policy implementation, Greenspan was wrong man. "Once he decided to stick w/ Greenspan," he'd decided Council would serve strictly as advisers, which is way Greenspan believes it should function. Buchen's appointment, Rumsfeld continued, "...signals less political and more professional use" of Counsel's office. Beckman relates Rumsfeld insisted that anyone who claims he knows what GF is thinking about VP, "or any other post, is just not telling the truth." GF's disgust w/ report he was trying to ease out AH -- a story "planted by a close GF associate who dislikes AH," says Beckman -- prompted GF to publicly announce he was urging AH to stay on for duration.

AP leads: "GF went to church Sun, spent afternoon playing golf...then unexpectedly drove back to WH to do 'a little work.'"...UPI leads: "GF took breather Sun w/ swim before Church, farewell chat w/ neighbors and round of golf with politicians likely to give him advice on VP choice." GF is resuming hectic pace Mon, says UPI.

GF phoned congratulations to Dave Stockton after he won Sammy Davis, Jr. Hartford Open. Later, Stockton said GF is good golfer who could improve easily if he had the time, "but I hope he doesn't...I'd rather he be good Pres. than good golfer."

UPI leads: "Putting in a longer day than he'd planned, GF met Sat. w/ 7 top advisers for talks devoted mainly to foreign policy, economy, and transition of power at WH....AP leads: "GF has slowed his pace a

little after his 1st week in office, giving dancing party and planning to play golf after church on Sun." GF seems to be enjoying new role despite a 12-hr. day. At 1st State Dinner he danced til midnite and one guest said it was like an Inaugural Ball. Another called it "breath of fresh air." But GF didn't let partying get in way of business, says wire which noted he'd be at his desk 8 a.m. Sat.

Roth in Bulletin says if LBJ were alive, he'd surely regret his "cruelly derisive appraisal" of GF. Indeed, says Roth, if comm. of political experts were to design nation's need in Pres., "specs would fit" GF as he's shown himself in last few days. Citing economy problems and calling on GF to recruit aides of "proven skill and integrity," Roth concludes that altho nat'l outlook may not yet be rosy, "there's less reason to despair now than 10 days ago."

Nessen on NBC, w/ collection of Kennerly photos, said at end of his 1st full week, US is still learning about its new Chief Exec. He's "friendly," probably knows as many people in DC as anyone else. He smokes pipe, w/ domestic brand; he's left-handed. While excited by new job, he's "not overwhelmed by it." WH aides have noticed one change: he's more decisive and not as tied to GOP line. He's called "perfect conciliator," tho he's not expected to give on DOD. He's been taking "crash course" in foreign policy from HAK, and as he develops own policies, observers will be watching to see HAK influence....AP, in lengthy wire on Kennerly, said nation is getting a remarkable view of GF thru him. Kennerly has big part in effort to fulfill GF's pledge of an "open and candid" admin, says AP.

Garry Wills, comparing GF as VP to RN's days w/ Ike in poor health, says GF "passes the test." He didn't desert RN, but prudently stopped talking about impchmnt. He never appeared to scheme for power, but he never appeared to be running from it. Ability to inspire confidence, to strike right note w/ one's peers "is no small gift," says Wills. The new Pres. "has it just when that capacity is in greatest demand."

Chicago Trib says if tradition of dubbing various Pres'l retreats around nation as "_____ WH" continues, "country will be littered w/ decaying ex-WHs." Trib "can't quite picture...the 'Rocky Mt. WH'," at Vail.

Schlesinger foresaw some changes in nat'l security policy under GF. He said GF likes to deal "at length w/ interpersonal relationships...he is not eager to dig into lengthy documents" like RN.

Lt. Col. Lester McClelland was named GF's new First Pilot. He's been Albertazzie's co-pilot for more than 5 years. Albertazzie is retiring.

GF accepted post as honorary head of Red Cross.

UPI says GF may not know it, but he's an Irishman and his ancestral home is in County Longford. Reportedly, GF's grandfather, Hughie King, emigrated from Tully to Michigan about 100 yrs. ago. James Kenny, who has claimed GF as third cousin, said "I hope Jerry will drop in and see us some day."

Ruth Bates Harris, fired from NASA for criticizing its policies on woman and minorities was rehired. CBS noted.



RN/W'GATE RELATED

Chief U.S. Marshal Gaylord Campbell said that despite fact he likes RN and is grateful to him for his appointment, he'll probably serve RN personally w/subpoena and will not give it to RN atty. Subpoena should arrive Mon in L.A. ... JSC said he doesn't know if he'll represent RN again. He said question hasn't come up, in an interview w/Boston Herald-American.

AP leads: "RN's family was relieved when he finally decided to resign," according to David Eisenhower in Sun. Bulletin. David said they started debating Fri. nite, which carried over weekend. "It took quite awhile for the decision to be made," he said. Their position as family was that they'd support either decision. Our concern, said David, was for RN. "But frankly, after year and half...this is a relief." David said RN's dreams had been frustrated and RN had decided he'd never receive due credit for his accomplishments. He said RN acquiesced to resigning tho he'd have preferred to have seen impch't process continued. "You have to realize that in his own mind," David continued, "he still considered himself an innocent man. He didn't intend resignation as an admission of guilt, just exhaustion." Asked if he thought RN innocent, David said "that depends on what's later proved. "I've been ambivalent about this thing for long time...I see nothing but shades of gray." He's guilty of political sin of w/holding information he suspected would be relevant, David said. He described PN as being proud of RN, but hurt by his downfall. "But she felt as much as anybody else," he continued, "that regardless of what the contemporary judgment is of his career, as a family we -- and as an individual she -- had privilege of being involved in an incredibly controversial and important career, going all way back to '48."...In companion story, Bulletin reports David, as a 12-year-old, left string of hidden notes in WH after Ike left. Notes said "I shall return." David said he left another note this time, but will leave to the staff to find where.

RN shouldn't be prosecuted for W'gate, Richardson said, but "could see no way out" of probably legal action against RN. "My feeling is that...he's undergone and will undergo enormous penalty greater than any punishment from courts." He said RN exhibited attitude of "we versus them." Richardson believes flaws in RN's character indicate deep rooted insecurity, reinforced by his struggle for Pres. When he finally got there he couldn't accept that he really was Pres. "of all people."

Griffin said variety of factors -- including inaccessibility to tapes and RN himself -- account for why even best friends didn't tell RN sooner he should resign. Griffin said he knew RN was guilty of impeachable offenses 6 days before resignation. RN's behavior appeared "suspicious" to Griffin from beginning. Tho he and other GOPs met routinely w/RN, meetings were "highly structured" with no chance to ^{raise} w'gate matter, Griffin said, adding only way to get past these meetings was communications to RZ or Haig, and "then we never knew for sure they reached RN." Describing painful hours before resignation speech, RN at one point looked Griffin in the eye and said, "I am not guilty."

Holtzman doubts either immunity or amnesty will be extended to RN. She said he's subject to whatever Jaworski or GJ decides adding, however, that justice is "not inconsistent w/mercy."

Ruckleshaus in letter to Time says that all alleged W'gate conspirators, including RN, should be treated alike and either be prosecuted or given immunity.

Bumpers said it's up to Jaworski whether to seek indictment against RN.

Martha Mitchell is relieved RN resigned and "truth has finally come out." She doesn't feel RN should be given immunity. She said she'd gone thru hell to be vindicated.

Close friend of HRH has set up expense fund. 1,200 letters sent from LA by Z. Wayne Griffin, Hollywood film producer of '40's and '50's. Letters said "Bob's ultimate innocence will have to be determined by the Judicial process... "In meantime...he is entitled to presumption of innocence and to the very best possible legal defense."

Schepps Dairy of Dallas charged AMPI w/using illegal business tactics and bribe to RN Admin to monopolize Tex milk industry.

POLITICS/MISC.

UPI's Sawislak leads: "Reformers charged that old line party regulars prepared power play to rewrite nearly complete Dem party charter. One reformer called it (rape)." At stake was delicate truce achieved in badly split party during past 2 yrs. Sanford warned that a/popular GOP Pres. Dems, couldn't afford renewal of bitter squabbling. Reformers appeared reconciled to losing demand for policy conferences every 4 years, and for strong judicial council to arbitrate squabbles. But reformers said votes Strauss helped line up to reverse those 2 issues were apparently going to be used to eliminate number of other reforms previously approved, at behest of McG faction. Strauss has generally tried to walk center line, says wire, but reformers claimed he'd abandoned that role by helping "stack" vote for his position on mini-conventions and weaker judicial council...The contingent, "outvoted at every turn by party 'regulars,' (bolted)" over minority participation issue, says AP...Kumpa in Sun says reformers took their defeat "w/considerable bitterness."

Orders from offices of Scott and 19 MCs disclosed policy of discriminating against job applicants on basis of race or religion, according to Fort Worth Star-Telegram...Ullman (D-Ore), one of those named by paper, said he's considering lawsuit against Star Telegram...Spokesman for McEwen (R-N.Y.) labeled reports "absolute, malicious" lies.

UPI leads: "Geo. Wallace, who insists the business at hand is for him to win election to another term as Gov, continued his attack on the party that may choose him as its nominee in '76".

Post's Milius says in short run RN's resignation, "which AFL-CIO so devoutly sought," could cost it "dearly." Their basic Hill strategy has been delay - letting bills bog-down - and try to elect more commanding Hill majority in Nov. Long-time labor lobbyist said RN {didn't have any clout on Hill at all)," but GF "plainly does," Milius says. Lot of those "marginal seats" no longer look as winnable as they did 2 weeks ago, says Milius.

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NEWS SUMMARY
August 17, 1974
(Nets, Wires, Papers)

The Major Stories:

- UPI lead: "Turk forces thundered across Cyprus at will, securing top third of isle and nearly isolating Nicosia from scattered Greek defenders." Led all nets. Both sides declared CF at dusk, ending the 3-days war. ABC focused on battles pre-CF at Famagusta, where trapped Turk-Cypriots were rejoicing as Turkish troops arrived, while CBS w/film of bombing around Nicosia. CBS said despite diplomatic talk, it was clear Turks were going to take all they wanted and that no one was going to stop them. ...All nets noted Greece declined HAK's invitation to confer w/GF, but ABC's Koppel said US was portraying self as "diplomatic wallflower" waiting to be asked by contending parties to help, but w/no specific suggestions of our own.
- Fitzsimmons on all nets after meet w/GF calling for complete freeze on all wages-prices, stating he told GF nation needs to be "shocked" into reality. On NBC/CBS he said GF listened and indicated he had his own ideas for program but that we'll just have to wait for him to reveal it. Fitz called GM's hike a "slap in face" of Pres.
- Nets w/WH-issued photo of GF reviewing VP names. NBC said Rocky/Bush leading, and Smith's commentary advocated Rocky as experienced exec and man gifted in talent search. Jarriel said photo released "as if to show press" GF's not put VP matter entirely aside. All nets noted decision will likely come Tues or Wed. ... NBC noted Hushen's appointment as JtH Deputy. Chancellor noted he served at Justice "during some difficult years."
- ABC/CBS w/film of perhaps best woman's softball team in the world. US team from Stratford, Conn. was to face Japan Fri. evening for world championship.
- Former Sen. Karl Mundt died after long illness. He served 32 years in House and Senate.

* * *

CYPRUS

Ecevit said Turkey had achieved its objectives and declared that Turk advances "laid foundation for federated Cyprus w/2 autonomous regions." He said Turks didn't intend to enforce population displacement by moving Cypriots of either country to other parts of isle.

Turkey wants to resume peace talks in Geneva Mon, but Britain doubts they can reconvene that soon. ...CBS said Greece won't join any talks 'til Turk troops are off Cyprus.

All nets noted HAK offered to go to Cyprus if necessary. ...ABC's Koppel said HAK would, however, prefer a DC conf. ...Neither Greece, Turkey nor Cyprus appear to be jumping at US offer of diplomatic help, (says UPI.)

US welcomed Turks' decision to stop fighting. State said US would "not understand" if Turks changed their minds. State said Turkey & Cyprus made "preliminary responses" to US offers of mediation and hoped Greece would later. ...CBS noted Greeks feel US sided w/Turkey, which ABC said sparked demonstrations in Athens and on Crete. From Athens, ABC's Giggins reported man-on-street feels betrayed by US. In short, he said, an American is "least popular" person in Greece. It's widely held among Greek press that "all their problems started in Washington," Giggins concluded.

ABC reported w/HAK unable to go, Sisco briefed Senate For. Relations on Cyprus, but Koppel said "clearly" not all were satisfied, w/Pell saying he'll introduce resolution calling either for w/drawal of all foreign troops from Cyprus, or total cut-off of US aid to both Greece and Cyprus. Pell (on film) said for years, we gave of our blood and treasure and now we're almost acquiescing to change of boundaries by force. Koppel said State indicated it's in nat'l interest to continue to supply both nations w/military assistance.

Luns hopes Greece will reverse decision to w/draw troops from NATO. He said extent to which w/drawal will weaken alliance will depend upon practical implementations of Greek decision.

GF/HUSSEIN

UPI leads: "GF and BF gave their 1st formal WH dinner, black-tie affair in honor of visiting King Hussein and his wife Queen Alia." Wire says there were some 120 guests, mostly long-time GF friends, along w/Schweiker once on RN Admin's enemies list. All nets had noted up-coming dinner.

AP leads: "GF entertained his 1st foreign head of state... GF's stuck pretty much to usual protocol in arranging party," but among guests included, contrary to RN Admin, were 7 reps of major news media organs.

ABC reported Hussein had "distinction" of being 1st Head of State received by GF. Hussein indicated he was "fully satisfied" w/meeting and said they found common desire for ME peace settlement, said Jarriel. ...Jordanian official said Hussein wanted to sound out GF on disengagement of Jordanian-Israeli troops.

OTHER FOREIGN AFFAIRS

Cairo weekly, Akhbar El Yom, quoted HAK saying he'll launch political initiative in Sept. to ensure speedy settlement of Arab-Israeli conflict. Paper said HAK promised Fahmi US would ship 500,000 tons of wheat to Egypt. ...Assad returned to Damascus after 3-day official visit to Yugoslavia.

Ethiopian army stripped Selassie of his remaining powers and staged show of strength thru Addis Ababa. Diplomatic observers said action could topple civilian govt of PM Imru and lead to a full army takeover. ...Lengthy CBS film of Selassie's long tenure.

Heavy fighting w/in 16 miles of Saigon/DaNang. Communist offensive pushed military death toll past 100,000 since '73 cease-fire. ...Madison, Wisc. Mayor refused to present a visiting SVN rep key to city and officially ignored his stay in Madison. "The sooner he's out of town the better," said Mayor's aide, who is also McG's son-in-law. Aide said "our position is that he's part of a corrupt regime w/no democratic base and we don't recognize that he's any legitimate claim to being a rep of his people."

Venezuela will place official "observers" in foreign-owned oil co's. in move designed to facilitate nationalization of the industry. Venezuela is world's 3rd largest oil exporter and 5th largest producer. ...Gunter (D-Fla.) asked recall of Amb. McClintock from Venezuela to explain how documents dealing w/US investigation of multination oil co's. got into industry hands thru US embassy at Caracas. Gunter said there'd been "apparent collusion" between embassy officials and industry.

Navy awarded a \$1.4B contract to Lockheed to begin production of new sub missiles capable of carrying 24 warheads each. All nets noted. ...Contract also sets in motion advanced development of new maneuverable warhead for Trident which'd improve accuracy.

Senate Appropriations approved bulk of \$5.1B DOD cuts recommended by Subcomm. Prox and Eagleton said they'll try to cut even further on Floor. Comm. staffers said the group restored about \$30M but declined, on orders from McClellan, to provide details. Total appropriation now stands at \$82.1B or 5.7% less than original request.

ECONOMY

AP leads: "GF got pledge of support from Fitzsimmons and advice that US needs to be 'shocked back into reality' on economic front w/freeze of prices -- wages."... Fitz said he also told GF he should consider rolling back prices in some sectors... After note of GF's attention to Cyprus and VP selection, ABC's Jarriel led report on Fitz meeting, saying economy was an "even stickier problem" in finding solution formula... CBS noted Fitz had been frequent RN visitor.

UPI leads: "Housing industry took it under chin in July as starts of new homes and apartment units fell by biggest monthly margin in 4 yrs. Bldg. permits continued 18 month slide, dropping in August to 1.4M... Del. Gov. Tribbitt said the 9.5% mortgage rate approved by FHA will put "virtual stop" to FHA/VA loans in Dela. He said their Usury Law sets max loan rate at 9% and doesn't provide exemption for FHA loans.

Profits of TV broadcast industry for '73 rose to \$65.3M before taxes, marking 18.3% increase over '72. Profits based on overall revenue of \$3.4B, up 9%. Expenses totaled 2.8B up 7%.

US industry will have increased its foreign investments by 32% over those of last yr by 12/31, McGraw-Hill said... Arab oil money is being pumped out of weak British economy for re-investment in US, according to banking sources who said large amounts of money w/drawn in past 2 days indicate Arab concern over British economic outlook and newfound confidence in "GF dollar."

Mills on CBS AM said during his 1st 4 years, RN wanted to establish himself as peacemaker, thus leaving to others economy problems. Must now deal w/it, Mills continued, in different way: w/policy that "jives" w/balanced budget, but w/out unemployment, but still stimulating employment. Mills believes US people will, if told what problem is and convinced of correctness of solution, support Pres. Mills believes GF will "level" and ask for public's help... AFL-CIO's Biemiller on CBS AM indicated labor could accept GF's CLC, but called it "smallest, most insignificant" thing one could do to solve inflation problem.

USDA says despite looming grain crop losses, USG will try to avoid imposing export controls as a way of keeping domestic prices down.

Harris Bank economist, Sprinkel, said "actually, problem isn't economic, but political". He'd agree that change in WH has markedly improved chances for reasonable solution to "nation's treacherous economic diffs. The logic goes like this: there're no short cuts or gimmicks that'll cure inflation, w/only known prescription being restrictions on money and credits supply and less spending by Govt. But prescription hurts and is unpopular cure, thus a political task. It didn't help RN that he zigged-zagged. GF's fortunate that people are going to listen to his austerity arguments and believe in his honesty. In 8/74, it's too late for actions to change picture substantially before elections. Politically, what GF has to worry about is '76, and he has 2 years of grace."

LA Times report says GF's goal to balance budget in FY '76 "doesn't sit well w/Wall St." One exec said "We've a crisis now... we need action now, not next year." Market observers noted 500 major co. money managers are keeping high number portfolios in short-term instruments paying record-level interest rates. Word on Street is institutional money -- which some estimate at \$15B or more -- will stay out of mrkt til Admin. comes up w/some tangible evidence it's taking overt action against inflation.

DJ closed off 6.34 at 731.5 w/10.5M shares traded... Analysts said lackluster session was indication of "the completely negative thinking" which has afflicted Wall St for some time.

Roth in the Bulletin noted RN left a lot of unfinished bus'n behind, and awesome burden rests on GF: tax reform, staff/Cabinet reorganization, military spending, health, pollution, energy shortage, welfare reform. Roth says "GF's legacy is a recession which many fear could burgeon into depression if something drastic isn't done but nobody seems to know what to do." GF must handle this quickly "while his image is fresh," says Roth. Roth says no one expects immediate cure, but it must be in right direction and "only so will sadly eroded confidence in nat'l ldrshp be restored."

OTHER DOMESTIC

AP leads: "EPA proposed letting states pollute existing clean air, if they decide industrial and economic growth is more important." ...Sierra Club immediately promised new court challenge. ...Quarles on CBS said proposal would require states to require installation of good pollution control equip't, and to begin developing land-use programs. But Sierra Club's Lahn said EPA has "thumbed its nose" at courts.

Morton said there's need for broad land-use planning and conservation in face of spreading ripoffs. Morton said it was probably "unacceptable" to have fed. govt play direct role, but said, in face of growing demands on land, "somebody should be encouraged to come to grips w/land resource management issue."

Mills on CBS AM said he's making every effort to expedite health bill. They're pretty close to compromise, he said, and should have draft ready by 9/11.

Wallace said Fed. govt. is wasting money on local problems it doesn't understand. He said US has made states little more than agency of strong central govt. Only way states will resume rightful authority will be to hold greater share of total tax revenues, said Wallace.

FTC said milk ad campaign was deceiving public w/claims everyone needs to drink milk and that it prevents colds and arthritis. NBC noted.

Weicker bill to require IRS to notify bank customer whose financial records are subpoenaed was killed in House-Sen. conf.

Bell Tel. decided it'll permit use of protective connective devices made by indep. manufacturers provided they meet Bell safety specs. Devices are widely used, e.g., answering equip't.

UMW continued preparing for 5-day memorial, set for Mon.

More than 550 persons who died from narcotic-related causes had methadone in their systems, says UPI, according to confidential records of N.Y. Chief Med. Examiner.

Chicago Area Boy Scout Council censured its 2 top administrators and put them on 1 yr. probation for padding membership rolls.

Film on NBC on Soap Box Derby, similar to ABC/CBS Thurs nite.

ADMINISTRATION

W/Hushen appointment, JtH announced reorganization of WH press operations. Hushen served as Public Inf. Dir. at Justice since '70 and as Spec'l Asst to AG. He was also reporter for Detroit News. Other appts. in Press Office include: Speaks, Carlson, Bill Roberts, who worked for GF while VP, who will serve primarily w/broadcast journalists; and Falkiewicz... Pres'l speeches and political materials to editors will be controlled by JtH office instead of WH communications. "This is going to be professional operation, not political one," said JtH... Clawson will return to journalism.

Jones on CBS AM said Buzhardt will be departing "just little earlier than expected." Some WH aides had "demanded" he be replaced immediately, over tapes ownership decision. JtH had passed Buzhardt information along to press, but problem was it "wasn't all true." Thus JtH "embarrassed." WH says GF must have believable spokesman and Counsel he can trust... ABC's Schoumacher said GF reversed his Counsel's advice on tapes and, as for man who gave that advice, he resigned Thurs. Source said Buzhardt was given 30-minutes to make up his mind. As for JSC, Schoumacher continued, he's already relaxing on Cape Cod. When asked why he left so abruptly, he said (on film) it "seemed the right thing to do," w/nothing to do it didn't seem proper to continue drawing public funds. He said he's "totally" out of W'gate, and is actually unemployed. He noted he'd discussed decision to leave w/AH.

Alf Landon said major diff between GF -- RN's Admin. will be GF's policy of seeking Hill consensus. He said, "we have a Pres. who now will talk w/Hill before formulating legisl. programs."

Black leaders say GF will have uphill fight to gain support of poor black and white Americans. Despite his negative voting record on civil rights, blacks say GF has indicated he's willing to listen and discuss minority problems. Atlanta's Mayor Jackson said he's disappointed in "lack of emphasis on social problems" by GF adding GF will win support of people but it will take more aggressive programs than any other Pres. in history. Roy Wilkins said tho GF didn't support many black programs, "he's so much better than the last man, we should give him benefit of the doubt."

Friends of GF may be starting a campaign to fund WH swimming pool, says UPI. GF may play tennis to keep in shape on WH court, but prefers swimming.

Ohio State Univ. officials confirmed GF will fulfill earlier commitment to address Univ.'s summer commencement Aug. 30. OSU Pres. Enarson said Wylie "called me out of bed at 11 pm & I've never been awakened for a more happy event." Enarson noted GF is a grad and former football player from Univ. of Mich.: "I think we can forgive him that," he quipped.

Detroit Free Press said Rocky is leading candidate for VP. ...ABC's Smith commented that 2 needs of Exec in choosing VP should outweigh all others: (1) qualified to replace GF, and (2) ability to mobilize talent in new Admin. And Rocky meets both criteria best, said Smith, who noted Rocky found "brilliant" HAK, among others. Smith said many on Hill have lived "sheltered" life w/in DC, but Rocky's traveled thruout nation, and his talent-finding ability would be "rare asset" to GF.

Nessen on NBC said GF knows there's organized campaign for Rocky/Bush. Coming from behind are: Reagan, BG, Laird, Richardson; dark horses: Baker, Brock, Evans, Rumsfeld and Gov. Ray. GF wants no Dems, blacks or women, said Nessen. He wants man fit to serve as Pres. if needed, good GOP campaigner, young enough to run in '80, and someone who'll not overshadow or undercut GF.

GF's pres'l opponent for sr. class of Southern High on CBS AM, indicating how his party took GOP name, giving them advantage, and promising class rings/pins before Christmas. Reporter said Schuiling believes, however, that better man actually lost.

CBS noted Soviet mag New Times described GF as a "balanced, calm and confident" person who was "one of best football players in US in his youth."...Mag said GF faces formidable task in trying to cope w/US economic problems and current "deep spiritual trauma." In another 1st, mag gave USSR readers details of WG break-in, and emphasized RN met downfall only because of WG and not because of his foreign policy.

CBS w/Michael and Gayle Ford in Durham, w/Peterson asking him to comment on his recent call for RN confession. Michael (on film) said perhaps confession was wrong term. But he would hope to hear some full statement from RN (as) only a few really know course of events and what decisions were made. Nation's entitled to that, he said. Equally important, Michael continued, is RN's own peace of mind. Such statement would clear air, he said. Assessing change in US mood, Michael said it seems lifting of W'gate, that'd bogged down nation, is like fresh air. Gayle (on film), who reporter said "looks amazingly like a Ford," said GF's same in private and public and said she's "very confident" for US w/him as Pres. Having known him privately, she said, makes her really confident. Michael said GF'll look for lots of advice -- he always sought interests of his children. GF will want positive, constructive input, he concluded.

ABC's Zimmerman w/film from Va. residence w/ BF packing. Zimmerman noted GF, for week he's been Pres, has been accessible, as he promised, such as Thurs. nite when he met w/group of teachers (on film). GF (on film) said family will miss being in Va. Zimmerman said there are signs of return to normalcy in neighborhood, w/little activity in informal press office in neighbor's garage, and lack of reporters at phones. Neighbor, Mrs. Moore (on film), noted she'd received phone call from small Nebraska town, wanting to know what it'd like w/Pres. as neighbor. News "does travel," she said. Zimmerman said they'll leave many memories behind.

TAPES/RN/W'GATE

UPI leads: "An angry GF and Jaworski have blocked move by RN's attys to turn over WH tapes to the former Pres." WH officials who declined to be identified, indicated GF became upset when he learned the atty's, w/out Jaworski's approval, had ruled the tapes belonged to RN. The officials said GF fretted his Admin. "was becoming tarnished" by tape issue.

JtH said Buchen indicated delay in turn over "in no way constitutes denial the materials are the personal property of RN." He said that as far as he knew there'd been no request from RN for documents and tapes to be delivered to him. ...AP says newest statements on tapes appear to be a softening of position disclosed earlier that all tapes/& documents sole property of RN.

Rowen on NBC said Jaworski still doesn't believe gaps were accidental and wants them kept at the WH in case they are called later as evidence in other cases, e.g., selling of ambassadorships.

CBS AM's Wagner reported from San Clemente RN's "virtually disappeared" since return. Tho RZ has office, there are no briefings or schedules. And no reaction to JDE subpoena. Press carefully avoided on RN's outings, said Wagner, and earlier announcement it'd be private time was "opportune description," Wagner concluded. ...ABC's Schoumacher reported RN retained A.V. Rippey of L.A. But Rippey says he's retained only in administrative capacity to receive subpoena, but not to defend RN on any criminal charges.

James Kilpatrick said WG and RN's resignation have eliminated his trust in public officials. He said he'll "never again wholly trust a person in public office. The combination of RN and STA's resignations has shown me that I've been too gullible and naive."

Korff said he would "tear the capital apart" in campaign to impose curbs on news media. He said media had demeaned presidency in its "persecution" of RN. Korff said he wanted "those leftists and liberals to go to hell."

Connecticut ACLU urged Jaworski to deny RN immunity. ... NBC's Pettit on RN immunity in Alabama: passion over resignation gone, w/sense of relief but sadness RN went from office in disgrace. Sample in Alabama town indicated most felt RN had "suffered enough." When Postal worker in Demopolis asked why no photo of RN on wall, he said, "why don't you stop persecuting him?"

146 Delegates to Pa. TAR convention commended RN as a man who "left a legacy of world peace."

Polls on NBC: majority of South against prosecution of RN, but nationwide 46% say RN should be punished, 46% disagree, and 6% undecided. Should RN be made to stand trial? 45% yes, 47% no, undecided 6%. RN guilty? yes: 65% no: 16%. Should all material be turned over?: yes: 74%, no: 23%, undecided 2%. When asked if RN's entitled to pension, 60% said yes, 32% no and 7% undecided. Chancellor said 1500 were polled.

Pierpoint on CBS AM noted that RN signed 2 nearly identical letters on Aug 8 barring public access 'til 85 on some papers dating back to VP days, and '64/'68 campaigns. Pierpoint said one reason RN was disallowed tax deduction was restrictions. But GSA's Sampson (on film) favored restrictions, noting they could be embarrassing to persons living, involve nat'l security, all "perfectly legitimate" reasons, he said. He also added that all (his emphasis) Pres'l papers have some restrictions.

McCord claimed damages of \$1M from WH and another \$1M from Justice.

3-Judge Panel dismissed disciplinary proceedings against Kleindienst. "Upon consideration of entire record...no disciplinary action is warranted."

POLITICS/LATE NEWS/MISC

NBC poll found 58% prefer GF over 30% for EMK, and 12% w/no preference.

House-Senate compromise on campaign reform hit snag when Hays said he didn't want to negotiate part of bill dealing w/financing and enforcement.

Reports from Cyprus and UN indicated CF holding w/scattered gunfire dying out w/darkness.

Fed'l Judge ordered FBI to make available to antiwar group files compiled on various new left organizations.

VFW's Soden said neither RN nor VN evaders should be granted amnesty. "No man is above the law, from pauper to Pres," Soden said.

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CTW

NEWS SUMMARY

August 12, 1974

(Review of Weekend Nets, Wires, Papers, Editorials)

Weekend nets and papers dominated by President Ford's (GF) first 2 days in Office, w/particular focus on new style, search for VP, concern over economy and continuity in foreign affairs.

The major stories:

- "Not a day of relaxation for GF," said NBC in #2 story Sun., as day began w/ Episcopal services as always. GF commented that sermon urging spiritual rebirth under his Presidency was "just great," followed by brief clip in front of Va. home. AP said he heard prayers for his new Presidency, "then moved thru series of 11 WH meetings to sollicit GOP/Hill leaders' advice," and UPI said he "plunged" back into business, including final touches on speech to Joint Session of Congress Mon. eve.
- NBC/CBS led Sat. w/film of GF in front of Va. home signing autographs upon departure for WH. Brokaw on NBC said he acted "as if unaffected" by new status. Film on both nets, as GF met w/Cabinet and asked them to stay on, as nation needs "continuity and stability." Sun. NBC noted GF spent considerable time w/ HAK on foreign affairs.
- AP leads: "RN intends generally to maintain shield of privacy over personal activities as he winds down affairs remaining" from Presidency. Film reports on both Sat nets. RN conferred w/ Rebozo and Abplanalp Sat. and Sun. In Sun. lead, NBC said GOP leaders met to discuss RN immunity and urged no further legal action be taken against RN. Scott/Griffin reported consensus among GOP that RN's "suffered enough."

-- Greek-led forces on Cyprus released first of thousands of Turk war prisoners in "unilateral act of good will," aimed at saving previously deadlocked Geneva peace talks. NBC Sun. noted, while film report focused on greater freedoms for Greeks in less than 3 weeks since return to civilian rule.

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THE PRESIDENT'S FIRST 2 DAYS

VP SELECTION

AP's Shaw leads: "GF accelerated his search for new VP Sun., declaring, 'I don't rule out anything, or anybody...UPI's Thomas led: "GF bore down Sun. on task of choosing VP and political advisers whose advice he sought reported list of possibles included Dems, blacks and women." ...AP said it appeared Bush and Rocky were becoming "front-runners" in collecting recommendations, and aide said he expected nomination to go to Hill before week end.

NBC Sat. reported choice expected w/in 7 days, and new Pres. wants names from broad base to make-up for fact that voters are not involved in choice. WH emphasized, said Brokaw, that no political, geographical or ideological limits placed on suggestions.... CBS w/ film of Rocky in Maine w/ Dean noting report "Rocky really wants it," tho he wouldn't talk about it. CBS' Rather said Laird's been mentioned most and, whether he becomes VP or not, will likely be "most powerful man" in GF's Admin. Rather said he may become chief domestic affairs advisor, and compared him to HAK's importance to RN. But how well Laird will be able to work w/HAK, given past rivalry, said Rather, will be "watched closely."...ter Horst said selection wasn't being run like beauty pageant, but "very simple," noted CBS.

Goldwater on NBC (Sun.) said he was too old, but would accept if asked. But he added, "I'm not looking for it." He said any choice would be acceptable, but that he favored Bush... As for woman, Goldwater said he's nothing against it, "just so she can cook and gets home on time."

Scott said his choices are Rockefeller, BG and Bush, in that order (NBC noted). He also thinks GF is picking VP for '76 as he believes GF will run, "whether he likes it or not." Scott believes "party will force it." He

said those opposing Rocky have forgotten how conservatives he is, and believes opposition to him is "grossly exaggerated."

Conable said none of names on list surprised him, which included Laird, Richardson, Brooke, and Rocky... Scott/Griffin said there are many possibles who can w/ stand close personal investigation and win Hill okay.

NBC noted GF asked that there be no lobbying for possible choice, and wants no organized effort in anyone's behalf... "Knowledgeable" WH source told AP it's extremely unlikely GF would actually name a Dem and UPI reports no indications of such. Wire says choice will be viewed as clue to slant GF plans to give Admin and nominee could be running mate if GF chooses to run in '76.

Gallup reports that among 6 possible VP's, Goldwater and Rocky emerged favorites. 23% favored BG, 18% for Rocky, Reagan w/ 12%, Baker 11%, Richardson 11% and Bush w/ 1%.

GF -- CHURCH/SAT. MORNING

On his 2nd full day, says UPI, GF maintained same relaxed, open style that's come to mark his assumption of power. He wore gray suit, white shirt and dark tie, as he responded "warmly" to greetings from neighbors as he left for church... NBC Sun. w/ film as GF and Family returned from church, and GF turned to say he was going to have breakfast of waffles w/ strawberries and sour cream... UPI called Family attendance at church "definite break" w/ RN pattern of services in WH.

NBC's Brokaw led Sat. w/ report GF and Family celebrated Fri. night w/ friends at Va. home, where GF was in "playful mood" and "seemed to jolly along." Brokaw recalled Mrs. Ford never wanted him to be Pres. He arose early Sat, swam in pool, and twice appeared on front steps (on film) looking for newspaper. Over film of motorcade, Brokaw noted he'll commute til RN's belongings are removed and new home painted and drapes cleaned. Mrs. Ford's comment on children reluctance to leave Va. home and friends, briefly noted. ...CBS Sat. w/ similar film in lead, including look for paper in "blue PJ's" and appearing "startled" when he saw press across street. CBS noted he said he hadn't fully acclimated to new life.

STAFF APPOINTMENTS

GF appointed Robert Hartmann and John Marsh, Jr., as Counsellors to President, w/cabinet-rank.

~~Time mag's~~
David Kennerly was named chief WH photographer.

Sun's Kumpa said appointment of the experienced ter Horst "is in itself regarded as significant step" in improving press relations. ...Sun's Sehlstedt says ter Horst "handled himself well" Sat. in his 1st full day as Press Secy. Sun's man said one of ter Horst's replies appeared to meet "w/instant approval" of several vet reporters when he was asked GF's opinion of GM's auto price hike. He replied, "I don't know," to which there was "actually a smattering of applause" in press room. ...Phila. Inquirer's Meyer, in profile of ter Horst, says he's as different from RZ as GF from RN. He's "seasoned newsman," w/Detroit News for 17 years and their DC bureau chief since '61. Meyer says ter Horst shares GF's "straight-arrow" mid-US values, tho he's not w/out sense of humor, and hails from Grand Rapids. He specialized in foreign affairs w/matter-of-fact explanations, more than interpretive writings w/his political leanings well concealed.

UPI's Helen Thomas leads: "Moving swiftly to take charge, GF spent long 1st full day in office Sat. reviewing the nation's foreign and domestic affairs with Cabinet and NSC." ...ter Horst said while VP selection would be discussed, main purpose was transitional problems...ter Horst said Rumsfeld will be transition team's coordinator, while Morton will be liaison w/Cabinet and Agencies. Scranton will deal w/personnel requirements. ...Trib's Beckman said GF's "made conscious decision not to make decisions" concerning WH staff and Cabinet til his transition team reports.

Morton said "goal of transition group is to get out of business." WH transition should be complete w/in 1 month, but immediate challenge is "increasing the tempo" of GF's admin, he said. Group's existence should not exceed 2 or 3 weeks, but no more than 4, Morton added. ...Morton said GF will likely put new emphasis on some RN policies in energy, resources and environment, but not alter their basic intent. Morton said "we do have a minerals problem to be solved, and minerals policy that has to be honed down and sharpened. We do have a water-for-energy problem," he added.

NBC Sat. reported GF told Cabinet and top staff to talk directly to him about problems, and not write memos -- a sharp break w/RN, said NBC. He further urged Cabinet to follow his example in being open/candid w/press. ...CBS noted GF's desire for direct talk w/Cabinet and Staff, "but not for chit-chatting." Reporter Jones said GF as VP thought RN "spent too much time on small talk" w/heads of govt.

Following review of world picture w/foreign affairs experts, ter Horst said there'd be no Presidential trips for now.



PRESS ANALYSIS, EDITS, RELATED REACTION

O'Rourke in Sun. Bulletin says GF believes nation has come close to breaking at seams because its leaders have not told the truth. His "disdain for liars in govt" came thru in Fri. speech, and he'll thus conduct Admin that'll level w/ US "even when it hurts, (and) he knows it will" says O'Rourke. On day he took office, GF made it known thru aides he thought economy in worse mess than RN had admitted, thinking RN did not bite deeply enough into fed. spending. But this is not to say GF knows what to do about it. Reality is, says O'Rourke, 90% of fed spending is not subject to control "unless one wishes to make some drastic political decision." As to foreign policy, his aides say he's not as green as many seem to believe. He's been receiving policy briefings for nearly 10 years and has traveled. It's believed one of his 1st steps must be to reaffirm US support for NATO, and he's likely to arrange visit to European capitals after assurance domestic problems are being resolved.

Inquirer says to respond to only "resignation-in-disgrace" in US history w/out emotion would be inhuman; and to expect deep and diverse emotional reactions to disappear as swiftly and silently as dew of an August morn would be cold-hearted and unnatural. But new Pres. is decent, respectful and humble man who's begun to reform nation's leadership. Tears must dry and angers cool, says Inquirer, which offers its great trust in GF's resolve and capacity to lead US in speech Inquirer calls "movingly sincere invocations of truthfulness and brotherly love..." Inquirer calls for reform of campaign laws, new emphasis on privacy, insulation of Agencies from manipulation, and declares US "stands on threshold of new political era (that) could be a shining one."

NY Daily News Wieghart in lengthy profile of GF, said to extent that "good guy" image implies weakness or lack of resolve, it's faulty. Tho generally good natured and friendly, GF's "tireless, extremely partisan and quite aggressive campaigner," not above "delivering well placed rabbit punch" on any political opponent foolish enough to leave his neck stuck out.

Bulletin says there's "new and attractively plain-speaking Pres.," but old problems remain. Entire lesson of W'gate will be wasted, edit believes, unless US public demands new accountability and new moral ethic in all levels of govt and politics.

NY Daily News piece by Volz leads: "GF set out on Capitol Hill honeymoon as senators and MCs outdid selves

in praising him. How long it'd last was anybody's guess." ...This Sat, account followed Sun by Greene in Daily News saying GF's honeymoon w/Hill "will be much shorter than all talk indicates" due to price of bread/butter and survival requirements of practical politics. His 1st break w/Dems, no matter how cooperative in appearance, must come almost immediately over approach to inflation. And nobody could be farther apart in methods than GF and Mansfield -- who only recently demanded return to wage-price controls, which Greene says are "anathema" to GF. But real conflict must surface in campaigns. If GF sets out for critical districts against veto-proof Hill, "then the lid comes off." And he'll naturally be target for Dems who'd like to whittle him down to size in advance of '76. But Greene concludes tho battle will be hard, it'll not be bitter. "GF has adversaries, not enemies (and) he'll keep it that way."

Urban League's Vernon Jordan said GF's assumption to Presidency must result in "getting nation moving again" and on economic and civil rights problems. Jordan said "this is neither time for rejoicing nor remorse, but time for reconciliation and renewal..."

AP leads: "GF enters presidency w/ net worth of about quarter million dollars, barely a 4th of RN's personal wealth reported last year." WH said there's been no significant change in GF's finances since Sept. '73 statement.

Nation's oldest veterans group, Army-Navy Union, has made GF life member of organization.

UPI leads: "GF likes cottage cheese w/ ketchup -- but that seems to be where his similarity to predecessor ends. He's been Pres. only since Fri., but already appears not only comfortable but reveling in the job. Any tension he feels does not show thru." Wire, like CBS, says he dislikes small talk during working hours. "Socially a friendly, back-slapping man, he's laid down the law that his one-on-one meetings w/ Cabinet and other leaders are to be business-like."

Arnett pictured GF as man friendly to Community Action programs.

Cederburg said GF's already "got me in trouble after just 24 hours as Pres. He said "he's making his own breakfast and now my wife this morning said I had to make the breakfast."

AP lead from Vail, Colo: "Some residents of this resort where GF owns condo are skeptical Vail will become 'Winter WH.'" One year-round resident doubts they could adequately protect GF: "he would be too vulnerable, USSS wouldn't go for it."



FIRST FAMILY

CBS Sat. w/ nearly 3-minute interview w/Mrs. Ford. Reporter Peterson said she's "as down to earth as her husband," and offers same openness and candor." Mrs. Ford says she can't believe she's First Lady and describes family as "very close knit." Peterson said Mrs. Ford expects to continue work in fine arts, especially dance, and she now realizes how being in front of people when dancing, and as fashion coordinator in Grand Rapids, is helping her now.

Leading their report, NBC said "Betty Ford will not have too much trouble adapting." She's accustomed to politics, having married GF only one month before 1st election to Hill. Born in Chicago, lived in NYC for short while, then Grand Rapids most of her life. Former dancer/model and once divorced, she now has 4 children. Mrs. Ford (on film) said GF's rise to Presidency "came as complete surprise" that she's not "fully realized" yet. Regarding her desires GF would leave politics, she said she has no choice, but "is happy to accept the challenge." She said she and GF are "wanting to do what's best for country." She said "we need little of the good" news. She said the 4 children have "4 varied ideas" about their father being Pres., but "they're proud of him...they feel he's a great guy, have great respect for him," but hoped it was someone else. Re: '76, she said, that's long ways away."

UPI leads: "Nation's new First Lady, Betty Ford, will visit WH Family Quarters Mon to make plans for moving into new home." Wives of outgoing Presidents normally show their successors around Mansion, says wire, but this transition was "so extraordinary" there was no opportunity for that kind of amenity.

ter Horst said GF intends to let Mrs. Ford decide on her own staff.

Susan will be only Ford child living at WH. 3 sons will be attending school or working this Fall in other parts of nation. ...Friends say GF's decided not to sell Alexandria home because children unhappy about prospects of losing it.

Mrs. Ford and daughter Susan accompanied GF to church Sun. and "appeared to be accepting w/ease and composure" their new role, says UPI.

AP leads: "GF's across-the-street neighbors have decided to cope w/lawn full of newsmen by converting their garage into the 'Virginia WH Press Room -- Ye Olde Alexandria Branch.'"

Mrs. Jane Hughes, who dated GF when she was 19, said she was afraid her letter of congratulations would be lost among the thousands of others. She said "I imagine he got 2 or 3 thousand. He will never see it -- I addressed it to his wife."



FOREIGN REACTION

AP leads: "USSR pledges to continue detente policy and to seek improvement of relations....Thing to do now, "is to observe unswervingly agreements concluded earlier and to fulfill pledges in their order..." AP says this Pravda statement is evidently expressing hope that GF w/out WG, will be able to persuade Hill to approve '72 trade pact and open way to massive U.S. credit loans for Moscow." But AP's opinion is that GF lacks working relationship RN built w/ Brez over 3 summits and it's "not unlikely that Russians would welcome trip soon by HAK who laid groundwork for RN-Brez friendship."...Soviet TV said GF was a top GOP and gave brief bio: They emphasized that GF and vast majority of Americans were in favor of detente policy.

UPI leads: "Paris news media painted image of new Pres. as simple, average midwesterner who could be another HST." Radio commentator Cartier, billed as France's leading expert on US, said in recent interview w/ GF he found him "very nice, very courteous, kind you meet in mid-west, average American. He does the dishes." Cartier also said he's man of great loyalty, precise, hard worker, interested in sports. He has excellent relations w/ everybody including press."

UPI leads: "Arab press fears that turn-around in American policy which RN led since Oct. war might not be maintained by GF and several referred to what they called pro-Israeli indications in his record."

NBC Sun. noted Soviet reaction, and reported Israel's Rabin's praise for GF. But Saigon reacted w/ "shock and concern," said NBC, and Thieu called emergency Cabinet meeting to discuss how to present RN's resignation to SVN public, and question whether US economic-military aid will continue. NBC noted US Amb. Graham gave reassurance such aid would continue, and Acting Amb. Lehman met w/ SVN's PM w/ same assurance. NBC further reported SVN prediction of enemy offensive. Saigon's waiting, said NBC, to see if GF will place same emphasis on US support of SVN.

Hussein, in the 1st full day of a State Visit to U.S., will be GF's first official dinner guest, WH said....Tight security and secrecy surrounded Hussein on his first full day of US visit, says UPI. WH announced other State visitors including Sadat, are expected to make official visits in Sept. and later in the Fall....Fahmi will pay close attn. to Hill relations during visit starting Mon because of Hill's increased strength in wake of WG, says UPI. Egypt also wants to insure necessary Hill approval of transferring US nuclear materials to Egypt.

Rather on CBS noted Israel acknowledged receiving letter from GF pledging "continued US support." Fenton on CBS said there's possible war in ME again according to Israelis, he said, main threat comes from Syrians who are failing to get Golan Heights via negotiation.

Israel's Foreign Minister Allon said talks in D.C. last week produced no decision on next step in Arab-Israeli negotiations. But he expects the ME peace talks in Geneva to resume later this year....Israel said it will conduct 1-day, nationwide call-up of military reservists to test mobilization procedures.

NBC noted Israel sank ship carrying Arab guerrillas. Arabs report Israeli troop build-up along borders of Egypt and Syria. Egyptian army along Suez has been put on alert.

Assad is expected to take over premiership in cabinet shakeup w/in few weeks, says Rose El Youssef, adding Assad wants to take charge of govt to carry out two major tasks lying ahead: search for a ME settlement and to carry out economic projects for reconstruction and development.

AP leads: "PRC is encouraging strong NATO defenses in W. Europe and discouraging any immediate w/drawal of US troops from area," according to Scoop Jackson. He said they fear that if Soviets no longer had to reckon w/ credible NATO, they could further intensify their political and military pressure in East.


NBC noted death toll in Bangladesh from flooding and related cholera outbreak has passed 1,300, officials reported, tho unofficial sources put figure at more than 2,500. Two-thirds of Bangladesh reported under water, and relief Minister described situation as "horrifying and incomparable w/ any other time."

UPI leads: "Cyprus cease-fire supposed to have begun 3 weeks ago, seems to be taking hold, no fighting for third day."...NBC noted no fighting, but Geneva talks deadlock over Turkish demand for partition of Cyprus. Great Britain cancelled its scheduled troop w/drawals because of threat of resumption of fighting.

Foreign Mins of Greece, Turkey and Britain met for another round of talks in search of peace formula for Cyprus. Session had been delayed at Turk request, as Turk cabinet was summoned into session...Callaghan headed off new walkout threats at Cyprus peace conf by proposing compromise formula for negotiating revised constitution for Cyprus.

HAK brought GF up to date on Cyprus situation and WH said GF hopes negotiations to ease crisis can go forward w/ spirit of goodwill by both sides.

UPI leads: "NVA gunners poured 500 shells/hour for 4 hours into a key central highlands base, but failed for a fifth time to overrun government defenders," Saigon said.



ECONOMY

UPI leads: "Tight money policies and restrictions on govt spending will be chief weapons in GF's battle against inflation (and) for most part, even people calling economic shots...are expected to remain same." Wire sees Simon as key economic policymaker, noting Simon aide said he'll stay at Treasury indefinitely. Wire says tenure of Ash/Rush remains uncertain. ...Bulletin reports Shultz and Simon could be formidable team in new Admin's inflation battle, in article speculating over possibility GF may try to lure Shultz back.

AFL-CIO's Nat Goldfinger told Trib "we don't know what GF's policies will be, but we'll be starting clean." Goldfinger expressed hope he'll be more accessible and open to different views. He said "as far as we know, his views are those of conservative GOP -- and considerably different from organized labor." But Goldfinger said they also believe "he's man of real integrity...we'd hope he'll give labor chance to present views of trade unions and others in economy being hard-pressed..."

Rather on CBS noted that most often asked question about GF is "will he change RN economic policy?" Schorr reported GF is expected to tell Hill and people Mon. that economy is #1 priority and will be dealt w/ soon. Noted that McCracken had left RN's economic advisory staff "in dismay over what he considered an erratic course," but has returned to advise GF. Schorr also noted GF asked for Burn's assistance. Possible measures include public employment, a program which Schorr noted as "anathema" to RN. Advisors believe it serves no purpose to harass public. Policy will not be drastic, abrupt, said Schorr, who noted one change is that policy won't change so often.

NBC Sat. noted GF says inflation's #1 priority, but not easy to solve. Labor demands wage hikes to match inflation, which means price increases for consumer, said reporter, who followed w/ film to illustrate problem. In Calif., carpenters and concrete masons strike settlement will mean 15% construction cost increase. Labor calls it "catch-up" to cost of living, while contractors call it inflationary, and intend to pass it to consumer.

Reuss urged GF to fight inflation by taking action on jobs, taxes and prices that'd enable nation's workers to hold down wage demands. He urged GF to meet promptly w/ Meany and other labor leaders to propose "social contract" that'd produce joint action to fight inflation.

AP leads: "Govt's next crop report comes out Mon and economists, farmers, and consumers are watching w/ attention usually reserved for a World Series outcome. What they're hoping for is a clue to the price of food."

Rather on CBS noted that World Price Index jumped up again. Reporter Sherpard said GF's faced with "greatest inflation in peacetime history," because wholesale prices are "increasing at an astounding rate." By having good relation w/ Hill, Shepard said Ford has an advantage in getting economy back in shape. W/food shortage being such a big problem he has work cut out for him.

2nd qtr corporation profits rose 25% from year ago, FNCB said. NBC noted.

Late but welcome rains soaked plains states for third consecutive day and thunderstorms, plus at least 4 tornadoes rumbled thru Midwest. ...With rain last week drought seems to have waned, but Farmers believe rain has come too late for some crops, especially corn. CBS noted.

Rains came too late to save corn and other feed crops, said NBC Sat, and there are mixed reports on what it'll mean for food prices. Drought was discussed at Cabinet meeting where Butz told GF it's "not as bad as some think," according to Levine. Butz (on film) said "drought's over," and doesn't mean disaster nationally, tho true for some farmers. Nationally, Butz expects crop will not be too far diff. from last year, which he added was a record year. Thus, Butz sees "no basis for panic" over food situation. But NBC, following report on Kansas farmer who's gone w/out rain for 2 months, said higher costs will be passed on to consumers.

OTHER DOMESTIC NEWS

UPI leads: "GF must decide whether to sign or veto number of bills left lying on RN's desk, including one that'd allow Americans to own gold for 1st time in 4 decades". Most important bill is appropriation for Elementary/Secondary Educ. that includes anti-busing provision. Most of others are minor, says UPI.

Panel of experts agreed ^{Sun.} that nat'l health insurance in some form would be enacted by Hill this year, says UPI. Panel includes Weinberger, Mills, Griffiths, Long, former HEW Secy. Cohen, and AMA's Roth.

\$20 mass transit bill and an \$11.3B housing measure to be debated this week. For rest of week, Hill intends to maintain momentum it built up trying to clear desks for expected impeachment debate that's now cancelled.

Ontario federation of 250,000 cottagers, hoping GF will have different attitude toward cleanup of Great Lakes, has telegraphed HAK to urge GF to reconsider RN veto of clean-up appropriation.

NFL players strike given 2-week moratorium, as player spokesman (on NBC) said they'd trust in good faith of Usery. Negotiations will continue during the 14 day cooling-off period.

Special Senate Comm, concluded that many of most significant presidential decisions have been w/held from Hill and public. Report by the Comm. on National Emergencies is scheduled for issue later this week, along w/a proposed bills to tighten laws. Report said gaps in public record "are primarily due to failure by Hill to specify substantive standards under which all presidential directives should be recorded".

Miami Beach Mayor Chuck Hall died Sat., apparently of heart attack.

RN -- SAN CLEMENTE

UPI leads: RN remained in seclusion Sun. and reportedly saw Rebozo and Abplanalp his 1st day as ex-Pres.... NBC's Brokaw noted emphasis on RN/PN's privacy. Brokaw commented that historians will make lasting judgments, tho it's not too early to make our own assessment of impact. Brokaw said "personality and philosophy" of GF will have immediate impact, but shape of Presidency is determined by attitudes of us all, as well. While deserving of our respect and admiration, Presidency is "not a majestic tower" nor "immune to human frailty, self-doubt, and dumb decisions." Brokaw said when seeing Office w/ all its ceremonial trappings, we view it in awe. But must realize that, while it's high office, it's an elective office -- not a monarchy. The WH "is a home, not a castle, Brokaw concluded.

Aide said RN had not spoken to GF since Fri., but he's expected to do so in near future.

IMMUNITY

RN is anticipating potential legal action against him, says UPI.

ABA begins annual mtg. Mon. in Hawaii. ...Elliott Richardson opposes prosecution of RN. ...Ervin says matter is entirely up to Jaworski. ...Shriver, said he thinks RN's responsible for his actions just as any grownup is. All 3 are expected to address ABA.

Newsweek carries Gallup Poll that says "huge majority" in US -- 79% -- believe RN did right thing in resigning. But 55% don't want investigation for criminal charges against him, versus 37% who did.

Oregon State Dems voted 82-35 that efforts to impeach and prosecute RN for W'Gate coverup should continue.

UPI leads: "Rodino ruled out possibility of carrying on impeachment of RN in absentia." W/ pressure off to get report to House quickly, Rodino's decided to take his time and assure that what he does is flawless. He doesn't want 10 months of work wasted, feeling it should serve notice on historians that RN did not leave office w/out cause.

RN RESIGNATION -- DOMESTIC REACTION

Scott doesn't think RN should've been more contrite in resignation speech. He said you don't ask man to resign, "to make hardest decision of his life," and at same to ask him "to plead guilty to allegations that have

not been proved against him."

Griffin said he did not think RN should be pursued in criminal courts. He said W'gate was "essentially a political offense," and serious criminal offense. "But he's suffered the ultimate political penalty. I think most are satisfied."

Morton believes history, will record RN's major accomplishments as it did for Hoover. He said "I'm convinced history will be fair to RN and balance the tragedy of this hour w/ long list of achievements and record of service to country."

"Geo. Wallace said resignation was a 'nat'l trauma that transcends individuals or past political acts.'"

Rusk said resignation was "great tragedy and a human tragedy for RN and his family," and urged US to get WG behind us quickly. He promised support for GF.

RN's cousin, Phillip Milhous, disabled and on welfare, accused nation of "picking like a bunch of buzzards ever since he's been in office. I'm proud of him. He's been a good President."

Alf Landon, approved RN's decision to resign, calling it a "tragic day and sad occurrence for all Americans."

Wiggins received RN resig. with "a deep feeling of relief," adding RN had "paid the ultimate penalty" for his errors and expressed hope history would not overlook his achievements, "these achievements -- of lasting historical significance... overshadowed his errors in judgment respecting the WG scandal."

Helen Thomas says friends of the RN women "do not believe PN, Julie and Tricia learned true extent for RN's involvement in W'gate til 3 days before he resigned." But even if they did know, says UPI's chief WH reporter, "they remained loyally behind him...all urged him not to resign." Thomas says PN's said to be still stunned. One WH Usher said "we've lost the best Family ever."

AP leads: "Michael Ford, 24-year old son of Pres. Ford, said he'd like RN to "speak out, make total confession of what his role was in W'gate." Michael said time of confession is hard for everyone -- "I would hope it'd come from any individual." After last Mon. release of t'scripts, he said he saw his Dad's whole mood had changed." I think he was just stunned." He said his father "really believed in RN's innocence, that RN hadn't done anything that was illegal...."

Michael also said he doesn't pass judgement "at all" on RN. He said "whatever may've happened he could be completely vindicated...but I think truth, as my father said, "is glue that binds" world and nation together.

Byrd said he received phone call from RN 4 hours after he announced his resignation. RN said "Harry, I'm sorry to call you so late, but I've been kind of busy tonight. I just wanted to know if you feel I took the proper course." Byrd said, "I feel confident you did what you thought was in best interest of country, and you made the proper decision." "It was a very nice talk," Byrd said. "His voice was very strong. He sounded so much better than he had in the Cabinet Room earlier in evening." Byrd said RN and others in room wept at end of meeting. "It was 1st time I'd seen RN in 8 months; it had taken a heavy toll," he said.

When RN was visited by GOP delegation Thurs., Scott said RN "had his feet on desk. He chatted away about being only (living) ex-Pres."

Newsweek says in final week, RN aides leaked contents of 6/23/72 tape to Wiggins as "device" to force RN to recognize "dangers crowding in around." Mag says AH informed RN when two were alone at CD, and it's said RN "begged for more time -- just month more, to arrange orderly exit or to devise some new strategy for his trial." But Newsweek says AH told him tape had to be published because Wiggins would talk if WH did not and JSC would be forced to quit.



UPI lead on Inquirer story noted Sun NBC: "3 top aides to RN threatened to quit if he did not release the t'scripts of his June '72 conversations with HRH that led to his own resignation." Knight's Friedman says Haig's, JSC's and Buzhardt's threat came last Mon. The 3 told RN "gently, but firmly that they and entire legal staff were about to quit." Friedman said the 3 aides well understood that release of tapes probably would end the RN Presidency. JSC, after hearing tapes, was "deeply shocked" and "hurt" because he'd unwittingly deceived courts. He then went to Haig with what he had learned, says Friedman.

Beckman in Trib leads: "RN was so distraught in final days of his Admin that he was anxious for Haig to tell him what to do," according to close sources. But AH refused, on grounds that nothing could be worse for US than to have 4 Star General urge Pres. to step down.

Bulletin's Adrian Lee says RN judgement may've been faulty; he should've moved sooner than he did, but he was preoccupied, "obsessed perhaps" w/ his mandate for peace. And he was overly solicitous of his associates, too, "But an evil man? That's hard to believe," concludes Lee.

Sun's Clymer says "two graceful speeches were too much to expect from RN," as he cites "grotesque contractions" in Fri. farewell and compares it w/ resignation speech. Clymer says resignation speech had an element of dignity few expected. It had, above all, no rancor toward opponents and, if he did not admit he directed coverup, at least he did not deny it, either. But Fri's farewell was honest in way that Thursday's was not. His emotion when he talked of his mother was honest; poverty of boyhood and "repeated" ref's to money were honest; gibe at press was an honest expression from Pres. who achieved one last historic 1st he didn't want -- being forced to resign, Clymer concluded.

Home where PN grew up in Cerritos, Calif. was firebombed early Sun. Damage estimated at \$2000.

RN RESIGNATION - FOREIGN REACTION

Italy's Leonne sent farewell letter making no reference to circumstances which forced resignation.

India's Singh said RN resignation was in best tradition of democracy.

Jobert called RN's fall a great tragedy....Radio commentator Cartier said "RN was the greatest President in American history."

Tanaka spokesman said, "on occasion of his announcement, we renew our respect for RN and his achievements."

Danish PM, Hartling, said "It is worth underlining that what has happened in America, shows that US is an open society."

Meir said, "we don't forget, and will not forget," adding that RN friendship to Israel "had found expression in the airlift he put into operation during Yom Kippur War. He has been faithful friend and has done great things to strengthen the country."

London Sun called RN "shabbiest, most squalid, deceitful, ruthless, mendacious, double-dealing, conniving, sanctimonious, hypocritical twister that great office will ever know. There is but one verdict history will accord him: expletive deleted."

AP leads: "Soviet TV viewers were told that ambitious Dem party, aided by soaring inflation and a servile press, engineered fall of RN from WH." Nowhere was RN connected w/ any wrongdoing or involvement in W'gate....Kremlin "wrote off" RN many months ago while pretending to ignore WG, says UPI. Soviet experts said claim was made as calculated whitewash of Brezhnev, who has been criticized for basing Soviet foreign policy on friendship w/ RN. Line now being put out is Brez made sure Podgorny and Kosygin were involved in latest negotiations w/ RN.

OTHER W'GATE

UPI leads: "Sirica continues listening to secret RN tapes." Expected to rule Mon on claims of exec privilege and also to forward some tapes to Jaworski.

UPI leads: "Final mop-up of W'gate now falls to Jaworski and courts -- job that will take months and maybe years to finish. W/ RN's departure, role of Hill to establish guilt or innocence thru impchmnt is over and few on Hill show any stomach to go thru w/ ordeal..."

Final chapter in impchmnt proceedings has been drafted and lacks only final House decision on its final form as history and legal precedent.

POLITICS/LATE NEWS

AP says close GF associates predict he'll make DOD pull in belt to save money, and DOD will "have to eat" pay hike of \$1.5B due in Oct.

UPI leads: "Unexpected endorsement of Ku Klux Klan has become irritating embarrassment to Maddox in his bid for governorship in Tues. Dem primary." Maddox said "I didn't know we had a Klan in Ga....." CBS report Sat. predicted Maddox will likely receive 33% of vote.

AP leads: "Leaders of both political parties see installation of GF as boon to GOP and likely to hold down threatened GOP disaster in Nov. election". GOP Governors and candidates met in Chicago to map strategy aimed at recovering some of seats lost to Dems in past 4 years.

Theodore McKeldin died of cancer at 73. Nominated Ike at 1952 convention and was passed up as VP nominee for RN. CBS noted.

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CTW

NEWS SUMMARY

(Friday nets wires thru Sat. noon)
August 11, 1974

(Note to readers: The News Summary team is in a process of reorganization. This abbreviated summary covers the Friday nets and AP/UPI wires thru Sat. noon.)

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GERALD FORD BECOMES PRESIDENT

All nets led w/film clip of swearing-in. CBS noted Ford's hand rested on Bible of his son, theology student, turned to passage from Proverbs, "Trust in the Lord with all thine heart." ABC noted Burger back from Europe. CBS reported Ford remark that truth is glue which holds gov'ts and civilizations together and pledge of admin openness and candor. NBC said Ford "choked" saying he hoped "RN would find peace." Chancellor stated these were moments of dignity and sadness. He also emphasized that GF is first non-elected Pres, but that transition of gov't was smooth. ... ABC described speech of "simple eloquence"...with "hope of restoration of faith promised."

Hill leaders of both parties called Ford's first address "magnificent" and "superb", leads UPI account. ... Mansfield called speech "authentic Gerry Ford. It was superb. He hit the right notes."

Resolution pledging cooperation and assurance of "fervent hopes for success" won unanimous support in Senate and House. ... Mansfield hailed GF as man with "clean mind, clear heart, clean record."...John Anderson said "his demonstrated qualities of candor, honesty and decency are just the ingredients needed to restore faith in integrity of government..."

Other Hill Comments

McFall said speech was "very good...set right tone; Julia Hansen said "most eloquent, moving..."

Weicker called it "magnificent...message of hope."

Moss said "wholesome and reassuring...emphasis on honesty was most welcome."

Montoya said he joins in hope US can "close dark pages of W'gate."

Bennett said GF must repair govt "weakened by efforts of RN's detractors to drive him from office."

Dole said GF's "healing words" show that he deserves "spec'l commitment of active support and cooperation from all of us."

Bush said speech "bodes extremely well for US...he is looking ahead, not back (and) that's good."

Shirley Chisholm said GF has "my full support," and she called on all, black and white, to rally behind him. "Give him a chance," she said.

Tip O'Neill says GF told Hill leaders top priorities will be foreign policy and economy. McFall said meeting amounted to mutual pledge of support between WH and Hill.

UPI described inaugural as "simple, comfortable, reassuring," noting GF's promises of straight talk and honesty. Wire said by mid-afternoon, GF "seemed at home in WH."

Ruckelshaus said he ran an FBI check of GF at time of VP nomination which included 1300 interviews and that there was "hardly a negative comment." Ruckelshaus said Ford was "the cleanest guy ever to occupy" the VP's office, and that GF will be "just what the country needs right now." (AP)

FIRST DAY IN OFFICE

Much of day, notes UPI, was devoted to foreign policy, as GF received ambassadors from 57 nations. He assured them US policy would remain basically unchanged and that HAK would continue to play leading role. ... Nets noted, along w/film of GF w/Cabinet and Amb's.

All Fri. nets w/film of GF beginning day at Alexandria home, CBS reported he left early, remarking his "shoulders were beginning to feel weight of Presidency." On all nets, GF responded to query, "you can't help" but feel the weight.

Nets noted GF cooked own breakfast Fri. a.m. and, 2 hours before swearing-in, dedicated new Watts housing project by phone, explaining that fate prevented personal attendance. ...GF returned to Alexandria home Fri. eve, where Family will remain for about week.

CBS w/report on GF's Hill voting record, particularly those he'd voted against: minimum wage, public housing rent subsidies, medicare, mass transit, Model Cities, HUD, Aid to 2nd Schools. But he did vote for Right-to-Work under Taft-Hartley, wage compensation for migrant laborers. Report emphasized GF's civil rights record "more liberal than generally believed," tho NAACP said he did so on bills he'd earlier tried to defeat.

UPI feature on earlier years, reports GF washed dishes for meals while Freshman at Univ. of Mich. He was named most promising player of football team in sophomore year, and drew pro offers from Lions and Packers, but rejected them to attend Yale Law School. ... Wires note GF is 10th Episcopalian to become Pres -- more than any other single denomination. 1st was Washington, and last was FDR. Presbyterians have had 6.

Focus of Sperling profile in Monitor comes from long-time GF friend and former MC who says "something that no one has been saying or writing" about him is "how tough GF is. He really isn't afraid of anyone." Further quoting: "If he moves into Presidency, be prepared to be surprised...this won't be do-nothing Pres...he'll be strong, decisive..."

EARLY EDITORIAL REACTION

NY Daily News says new Chief Exec brings to WH 2 assets of "priceless value," an unquestioned reputation for personal integrity and truthful speaking, and unshakeable faith in US institutions. It's important, also, that he's regarded on Hill w/"genuine affection, trust and respect." The instinct for unity and nonpartisanship in times of difficulty will be strengthened by high esteem in which GF is held by ex-Hill colleagues, says News.

Post says transfer of power "proceeded w/dignity" and concluded on "strongly reassuring note." GF "struck precisely right tone" on succession of points. His words were "simple and candid," and were "flawless" response to extremely difficult situation. While calling for detailed knowledge of what went wrong" w/RN Admin, "this moment is not the time to argue" over

RN's "dismal" inadequacy in explaining it. GF's address was "generous and temperate" in which he spoke of reconciling justice w/mercy and he faces no more delicate and perplexing dilemma than dealing w/consequences of misconduct of RN Admin. GF's words were evidence that "he's in tune w/country as a whole," and man who deals in so open and honest manner w/US "cannot fail to retain their support," Post concludes.

NY Times says simplicity w/which GF spoke reflects his unpretentious nature and suggests straightforwardness and humility which may be expected. There can be little doubt among those who heard him that he's deeply committed "to follow my instincts of openness and candor." "With little real preparation, GF "has right to call on morale and support of his countrymen," says Times. While in House, he proved himself "no statesman but...the most faithful of faithful of his party," and he built "deserved reputation for decency, integrity and honesty" which'll serve him and nation well. He comes to office "w/huge reservoir of personal good feeling" that'll constrain even strongest adversaries from opposing him merely for sake of opposition. That'll doubtless come, but fortunately for nation, it's not now, says Times.

Chicago Trib says the few words spoken by GF were "well chosen, dignified and encouraging," reflecting simple straightforwardness that's not been seen around WH for at least a decade. Simple remarks, maybe even a little corny, says Trib. but "welcome" and "the right recipe" for occasion. Trib says there are many good and dedicated men among RN appointees -- indeed they're real victims of W'gate. And there are good programs and policies. Pres. Ford will win confidence of public and cooperation of Hill if he tries for what he's said he prefers -- the Woody Hayes 4-yard gains rather than spectaculars. "And that seems to be sort of man he is," Trib concludes.

Sun will take GF at his word in promise of " 'little straight talk among friends.'" Sun says "we liked" GF speech for its tone, simplicity and directness. For the instant, "country wanted a measure of reassurance, and it got it." Sun also says no pledge will be more important than pledge of honesty, openness and candor, and while instinct to put aside unpleasantness is understandable, "it must not be allowed to block full revelation" of W'gate. Seeing this thru to proper conclusion will be "great and delicate burden" for new Pres, which he "must not shirk," says Sun. "Unsarcastically," Sun is relieved to have man w/qualities of decency and All-US guy. "We want plenty of straight talk and plenty of straight dealing," says Sun and we give him our prayers along "w/due notice we'll be watching to see that he serves his country well."

Boston Globe says "Rarely before, if ever...has anyone assumed Office w/such great opportunity to lead and unite nation." Pres. Ford has behind him "vast reservoir of goodwill among Dems as well as GOP" and, w/that support, he can lead nation into another era of good feeling. Globe says nation can concentrate now on other important matters and get moving again. Any comment on RN, says Globe, would in all fairness have to include mention of his "unquestionably positive accomplishments." Indeed, it may come to pass that we shall enjoy what RN always claimed was his greatest aim -- generation of peace. And Globe trusts historians will take due note of part RN played in the achievement, "he'll deserve much recognition for it." Most sincerely and w/much appreciation of the travail he's gone thru, Globe concludes, "we now wish him well as he returns to private life." Under leadership of new Pres, "we embark on new beginning."

Of more importance than being "Mid-American, stolid, doggedly determined, friendly, open, sincere and man w/sense of tradition and balance, says Star, GF is man of integrity, decency and moral principle. Such are "precious commodities" in these times. Star doesn't expect GF will suddenly shed political philosophy of quarter century, but Star has no doubt he'll accommodate his thinking to problems he'll face as Pres. of all the people. By own acknowledgement, not an intellectual giant, and thus not likely to have mind fertile w/grandiose schemes, Star expects that whatever GF's shortcomings they'll be more than offset by calibre of advisers w/whom he'll surround self. Star believes domestic concerns have suffered for RN's concentration on foreign problems, and thus believes GF will have to dwell heavily on such. Foreign matters cannot be relegated to back burner, and thus he "wisely" persuaded HAK to stay. In beginning, his biggest job will be to bring US together, to ease US off W'gate shoals. "That's not easy task," says Star, "but we believe he has capacity to do it."

NY Daily News says it was characteristic of new Chief Exec that his 1st message was "simple and straight -- w/out oratorical flourishes." In essence, he struck same note RN stressed in his resignation speech: It's time to put W'gate behind us and dispel atmosphere of rancor and suspicion. News firmly believed vast majority of US are of like mind, and that few men are better equipped to carry that out than GF.

Overton Jones, assoc. editor of Richmond Times-Dispatch says GF is especially well suited to heal wide breach developed between Exec. and Hill branches. Judging by his voting record, he's more conservative than RN. W'gate and its seamy ramifications have kept US in mess for many months. With new Pres., it can be put behind us, at least insofar as its being millstone around neck of body politic, says Jones.

NETWORK COMMENTS

Brinkley on NBC noted RN left WH crying and wondering how to pay his taxes. Few countries could've gone thru change w/quiet military, Brinkley said, and GF will go into WH w/few enemies.

Sevareid on CBS recalled HST put his own suitcases in attic upon returning to Missouri. And GF cooked his own breakfast while his family slept. Sevareid thus sees kind of kinship of spirit in candor, simplicity and truth, adding GF knows himself and doesn't need enemies to give him sense of dignity. Nation needs one man and one man's character is now key to what will happen to us, he said.

HK Smith on ABC wasn't impressed as some were w/how US system worked to bring about the change -- it hasn't worked that well, said Smith. It wasn't the system that brought RN's resignation, but his taping and their disclosures. Big money and spec'l interests caused W'gate, and in most-needed area of finance reform, "Hill is moving w/leaden feet."

TRANSITION

Wires profile men of transition team, along w/new Press Secy. Jerald ter Horst. ... UPI leads: "Moving fast to shape his new Admin, GF called on Hill leaders from both parties, nation's GOP governors, his cabinet and WH staff to propose VP candidates no later than Wed." WH said GF expects to name his choice w/in week or 10 days. ter Horst said GF had decided to select his own VP thru much same process as he himself was picked 9 months ago.

Veteran newsman Jerald ter Horst, formerly chief of Detroit News Washington bureau, named new Press Sec'y. Pres. Ford personally introduced ter Horst to press.

ter Horst said 4-man transition team assembled to counsel new President will include: Scranton, Rumsfeld, Morton and Marsh. All four served with Ford in the House.

Robert T. Hartmann, chief of GF's VP staff, named Counselor to President. ... Haig told GF that top RN aides would remain "in our hour of common cause."... Horst said only 2 have left so far: RZ and Rose Woods.

Noted in transition was disappearance from Oval office of RN memorabilia and replacement of photos in West Wing. Many of new pictures showed GF and RN together. All nets noted.

Weinberger asked 126,000 at HEW to stay on, keep continuity of govt flowing. Change should mean even better chance of passing health insurance bill, he said, as Hill will have more time to devote to it.

Butz said he'll stay, at least temporarily. Predicts no real changes in USDA policy, and told dept. employees more vetoes of budget-busting bills can be expected.

RN photog Ollie Atkins reportedly going back to Saturday Evening Post, where his boss may be Julie Eisenhower, the Washington editor.

VICE PRESIDENT

Conservative and moderate blocs on Hill reportedly vieing w/each other on choice. Moderates, led by Scott, want more liberal VP for balance. 20 conservative Senators met privately Friday and agreed to support BG. Both reportedly have given GF lists. Brock, Baker, and Cook appear on both. Others on conservative list include Bartlett, Scott, Reagan, Meskill, Williams, Simon and Quie. On moderate list were Dominick, Javits, Maillard, Bush, Frelinghuysen, Milliken and Holton. Laird not noted in this UPI story.

AP says two names have come up most frequently in speculation: Laird and Rockefeller. ... In Bangor, Maine, Rocky said it would "be totally unfair to comment on the possibility." Hugh Scott supports Rocky saying he "has been my number-one choice for just about everything for a long time." ... Wiggins predicts GF will not choose any GOP "party elders" specifically Rocky, Goldwater, Reagan. Says Rocky would be especially inappropriate.

GF promised Hill leaders he'd send name by 8/21, according to source (AP)...ter Horst said week to 10 days will be needed.

Helms' aides say he's talked with dozen GOP conservative senators who want Goldwater, oppose Rocky. UPI says that by late Fri., opposition to Rocky not on as firm ground. Tower said Rocky not as unpopular w/GOP conservatives "as some might imagine". Thurmond says Rocky not his first choice, but praised him. Brock says Rocky acceptable in Tenn. But support for Goldwater among conservatives remains very strong. Albert: hasn't been asked and not sure what he would say if asked (as of Fri).

Stanley Tupper, whom UPI calls close friend of GF and Rocky, and former MC, introduced Rocky to Maine GOP groups as "soon-to-be VP."

NY Times says while ideology should play only limited role in choosing new VP, "electoral judgement of '72 cannot be ignored, nor should it be." RN acknowledged that in selecting GF as VP, and "same rough fidelity to people's last decision should guide" this time. Times concludes that there's no better way for GF to seal compact w/US that he spoke of than be selecting man whose qualifications for Presidency are beyond partisanship and beyond question.

Dallas Times-Herald endorsed Bush.

GF-MEDIA

After introducing ter Horst GF said it would be open and candid Admin. "I can't change my nature after 61 years," he said, adding he trusts he'd have kind of relationship w/press that marked years on Hill: rapport and friendship. GF also jokingly suggested that WH pool might be restored. RN had press facilities erected over the swimming pool in '70 at cost of half million.

for

In final dispatch /Detroit News, ter Horst said GF "will govern country with a gavel, not a club...GF Admin will be an open one, much as the man himself during his years in D.C." GF promises to be a peacemaker for nation and "calm communicator," but promises no Camelot or Big Ranch scene, but possible some will acclaim him "most decent" man to sit in Oval office.

New York sources report new bio to be published next month: "Gerald Ford and the Future of the Presidency", dealing w/GF life prior to becoming Pres. The author: Jerry ter Horst.

AP reports WH press corps may be in for a move. Press now occupies area RN transformed from a swimming pool to a press room. GF, a daily swimmer, is said to be considering reverting it to pool.

FOREIGN REACTION

Less than 24 hours after taking office, GF sent personal message to Brezhnev. No indication of contents. ... Soviet leaders voiced "deep satisfaction" w/GF's declaration that he'll continue working to improve detente. ... Echoing this,

Pravda recalled GF's support of 1st SALT and '73 support of summit, and one Pravda writer stressed his "great political and statesmanly experience," adding that decision to keep HAK "is valued as sign of continuity of foreign policy course."

3 papers that oft reflect Peking's thinking said new Admin's expected to continue RN policy of expanding US-PRC relations.

VC, in 1st appeal to new Pres., demanded that US cease all aid to SVN.

UPI leads: "Pres. Ford, in one of his 'very 1st official acts,' expressed continued US support for UN because organization is not only desirable but necesesary."

GF reassured Israel US will meet all commitments undertaken by previous Admin, including long-range military and economic support.

GF urged restraint and moderation in handling of Cyprus crisis is message of Greek PM. He also pledged support in helping bring peace to the island.

CBS noted reaction varied, but widespread relief that HAK would be staying on. Izvestia said detente depends not on personalities but on long-range interests of nations (ABC). Israel said it lost a friend, Danish PM said it was a great day for democracy and for US, Egypt bordered its resignation announcement in black. Arab leaders expressed fear and alarm improving US-Arab relations might wane.

Cuba attacked RN as "personal enemy of Cuba and the revolution," but did not comment on GF.

Poland said WG was blown up by enemies of detente but they've failed because GF promises to continue.

Venezuela's Pres. Perez called on own citizens to clean up corruption.

Trudeau confident GF and he will continue to improve relations.

Australia's Whitlam expressed confidence in continuing good relations.

Taiwan's Madame Chiang attacks RN remark on doors to PRC unlocked.

Harold Wilson told GF world faces more problems more daunting than at any time since WWII.

Pope sent congratulatory message.

French diplomatic observers note that RN's resignation marked 5th political upheaval among Western allied nations since Jan. 1 -- fall of Brandt; death of Pompidou; coup in Portugal; fall of Greek military junta.

OTHER FOREIGN AFFAIRS

All nets noted Canadian plane shot down in Syria. CBS said plane crashed near Damascus. UN sources claim Syrian missiles shot plane down, and Syria admitted to it, saying it was an error.

ABC/CBS noted Greece and Turkey signed agreement of separating warring forces on island. Now agreement goes to Geneva.

In letter to Greek Premier Karamanlis, President Ford urged restraint and pledged support in helping bring peace. ... Fighting on Cyprus has come almost to a standstill for the first time since Turks invaded 2 weeks ago. But negotiations still in doubt.

Israeli navy sank Arab guerrilla craft off Israeli-Lebanese frontier, according to reports from both sides. ... Now doubtful that Mideast peace conf. will resume in October, says UPI. Delay could prove dangerous to Sadat who looks to conf. to maintain momentum of Arab drive for Israeli w/drawal. Sadat's attempts to coordinate policy w/ Palestinians not meeting w/success and an Arab summit conf. to put final seal on those policy decisions also appears likely to be postponed.

Saigon said VC shelled Bien Hoa, killing several civilians.

Some speculation among Western nations that NVN and VC may take advantage of political developments in Washington to step up military pressure against SVN. Reasoning may be that GF will not take militant stance behind Saigon as RN had done.

Industrialists, financiers and politicians are predicting severe economic crisis for Britain by year end.

Mexico announced investigation into CIA activities there. Former CIA agent now living in London, Agee, has detailed his activities w/CIA in Mexico.

ECONOMY/LABOR

In 1st official meeting w/econ. advisers, GF said control of inflation would be "high and first priority" of new Admin. ... ter Horst says Greenspan is GF's choice for CEA: ... At econ meeting were Burns, Stein, Greenspan, Ash, Rush, Hartmann, Siedman and Scranton.

GF takes reins when econ growing steadily worse, says AP. Top Admin economist says inflation expectation for end of year may have to be lifted from 7% to 8 or 9%. Review underway. Announced Simon asked to stay permanently and has accepted. Position of Rush thought less certain.

WH sources say GF will consult more outsiders on economy than did RN, will work more closely w/Hill, but will continue to support slowdown in Fed spending, tight monetary policy.

NBC reports WH econ advisers say change in Pres. does not mean a direct change in economic conditions tho transition will help, (1) confidence in gov't policy and (2) give gov't means to make necessary policy implementations.

UPI leads: "When GF turns to problems of inflation, nat'l debt and deficit trade balances...soft-spoken expert will be standing over his shoulder." He's L. Wm. Seidman, Grand Rapids economist and expert on where taxpayers' money and industrial dollars come from and where they're distributed. Tho not immediately announced what role Seidman would play, it was indicated it'd be "Chief of Operations," says UPI, as middle man between public, pols, and Pres., in addition to duties as economic adviser.

Mellon bank's chief economist said GF succession of office would not necessarily mean improvement in nation's economy.

With RN gone, markets turned attention back to inflation. Dollar retreated slightly. Brokers said investors have already absorbed psychological impact of resignation and are now awaiting first moves by new Pres., says AP.

GM hiked per vehicle prices average of \$480, pushing average price of '75 models more than \$1000 above last year's. 6th separate price increase for new models. All nets noted.

Rains finally came to Midwest Friday, perhaps in time to save soybeans but weeks of drought have left many corn crops to waste.

National Association of Wheat Growers has asked Butz to stand fast against possible pressure to limit farm exports, saying controls could lead to serious distortions of marketing and price patterns.

USDA announced plan whereby foreign country can apply for three-year credit for specified U.S. farm products. Lender is Commodity Credit Corporation and loans are guaranteed by either U.S. bank or one in the recipient country.

USDA says farmers received declining share of what consumers spent for food during 2ndQ of this year, while middleman increased their share substantially. Translated into market-basket terms, average cost of U.S. farm-produced food for family of three was a record annual rate of \$1731 up 16% over mid-1973. Spread between what farmers get and what consumers pay, price soared to annual rate of \$1,033.

Talmadge said Hill not likely to enact nat'l health til nation's economy improves.

Negotiations to resume to settle month-old strike at GM's Lordstown, Ohio plant. GM announced it would lay off 4500 in Flint for 1 week because of the strike. Strikes by Communications Workers of America against Northwestern Bell telephone co. in Omaha and carpenters in 11 California counties have ended. A fifth of the 10,200 striking United Steel Workers returned to work on Fri.

DJ closed down 7.5 at 773. Up for the week by more than 20 points. Fri. volume light: 10M shares.

RN FAREWELL

Jarriel on ABC called it an "obituary to abruptly terminated RN Admin," and said RN made "rambling dissertation from thoughts of death to new hope." Jarriel, in noting "au revoir," said RN didn't know how to say goodbye.

Rather on CBS noted "thunderous applause" by WH staff, w/speech that began w/jab at press. Rather said RN wept during and after speech, praised his mother as a saint, which was when he cried. Over film of South Lawn departure, Rather noted RN said he'd remain politically active and would return. CBS also noted Pres. Ford fought back tears as he waved goodbye. ...NBC called it "saddest day in RN's life," noting he struggled w/emotions when he said goodbye.

Star called RN's resignation speech "manly" and "skillful," tho it lacked any hint of remorse or apology for wrongdoing. It was not vindictive or mean-spirited, and in such situation he was entitled to concentrate on his achievements rather than failures. No one watching could doubt his pain. Star says sense of relief is truly startling, and one did not realize how oppressive it'd become til lifted. As RN said, 1st essential is "to begin healing wounds of nation," and that indeed is where GF must begin, Star concludes.

Norris Cotton said that while RN was composed on TV Thurs, he could not hide his emotions with old friends from Hill before speech. "We saw his naked anguish." ...Cotton says RN called him at 2a.m. Friday to say goodbye. Says RN made grievous mistakes, but unlike predecessors had to pay for them. Friday was saddest day of his life, said the senior GOP.

Mansfield: Pleased RN finale not rancorous but would have preferred some reference to why he resigned.

Helen Thomas in "Backstairs" says RN made final decision when GOP leaders laid it on the line Wed. night. They told him it was hopeless. RN told HAK that night, then faced "hardest part" -- telling his family. They all cried. To console them, he said "We've got our health, and we've got each other. That's what counts."

Voorhis termed RN's fall from power "poetic justice," but added it have been better if he'd gone thru impeachment process.

Mexico City newspaper says RN planning family vacation either at Acapulco or Cabo San Lucas.

Steve Bull said he and other former aides to RN would stay on "as long as we are needed." Include Ziegler, Bull, Brennan.

Trib's Anderson reports sadness among less famous people, those who toiled away in WH and EOB, who were both loyal to RN and the job. In talk w/ one who'd worked closely w/RN for over 5 yrs, Anderson found depth of his feeling "almost leaped from phone." But Dems on Hill and at DNC weren't really gloating, says Anderson, quoting one source simply saying "'what can you say? What can GOP say?'" Professional RN haters in Washington were "slightly more constrained than usual," says Anderson, but if predicting "we'd say that compassion and emotion won't last very long."

ABC/CBS w/film of El Toro crowd of est. 4000. RN (on film) would continue to stay active in public life. ... Noted that San Clemente will no longer be WWH, but "La Casa Pacifica."

Only NBC had live coverage from El Toro.

ABC w/Yorba Linda reaction -- RN's name removed from mast-head of local paper. 8-12 phone calls to paper calling removal of name "persecution of RN," but editor said that's not her reason.

Another hometown -- Whittier: random sample: 1st man, "I feel let down." 2nd man "RN is good." 3rd "Better for country" re: resignation. Sorrow and some shame in Whittier, but all feel best for country, said ABC.

USSS said it's discontinuing protection of Julie and Tricia.

RN's figure taken out of Grand Hall of Statesmen in Madame Tussaud's wax museum in London. Placed in storage. ...In Moscow, photos of smiling RN/Brezhnev disappeared along one of the main streets.

IMMUNITY

Lengthy UPI leads: "Private citizen RN faces mountain of legal and financial problems. Legally he could be prosecuted and perhaps go to jail for role in W'gate coverup. At minimum he probably will be called to testify at trial of 6 of his former aides in Sept." Wire concludes, prior to '68 election, RN was \$100,000/yr atty, but chances of his resuming former profession are challenged by disbarment proceedings under way in Calif.

Under head "W'gate Jury Itching to Get RN," NY Daily News' Van Riper reports Jaworski's been put on notice by original W'gate GJ that RN must not escape punishment for his admitted role. Whether that means it'll vote to indict is unclear, but source told News that on basis of 3 new WH scripts GJ believes "'RN is much more indictable now. It's now up to Jaworski to decide which way GJ will act.'" Van Riper says original jurors likely to poll selves in next several days. But one atty close to W'gate prosecution said "'there's no question that RN can be indicted, but Jaworski will move to indict RN only if political climate warrants. Idea now is reconciliation. How can you have reconciliation if you indict RN?'" But same source added that it could all change when coverup trial begins in Sept, w/ all those men standing trial, facing long jail time, while head of conspiracy "sits out in San Clemente." Jaworski's office denied truth of the story.

ABA's Chesterfield Smith said disbarment proceedings should be considered against RN if he decides to return to the practice of law. He said he doubted RN would return to the legal profession. ...ACLU called for impeachment.

Mansfield's usually such sensible man, says Star, it's hard to believe he'd come up w/"absurd" idea that House/Senate should continue w/impchmnt and trial of RN. Noting his argument is need to lay bare all facts of why RN left office, Star says that could be incorporated in Sense of Hill Resolution expressing desire RN not be pursued in criminal proceedings. That'd seem sufficient to quell fear someone might in future get wrong idea about why RN left office, says Star.

UPI leads: "Senate GOPs appear to have concluded RN has suffered thru enough over W'gate and should not be prosecuted," and Cotton, Scott appear to speak for them.

Tip O'Neill says Hill will not pursue any proceedings against RN. Up to courts, he said.

Tower said issue unpredictable, but questions whether useful purpose would be served by prosecution.

Hollings said "case is ended."

Stennis said let the "past be past."

Congress showed unanimity for GF but not for RN, said NBC. Rhodes, Scott, and Thurmond on film supported immunity. Sen. Cook stated Ford may have to pardon RN if Hill does not.

Scott on ABC said "enough is enough." ...Jaworski agrees with Scott privately but officially "its not that simple," said ABC. If Ford does not act, Jaworski says he'll be forced to decide whether to prosecute based on balancing public interest against possibility of conviction and chance RN can get fair trial. Stern (NBC) says spec. pros. will wait for time being and CBS said Jaworski had not yet made decision on the issue. But CBS reported that spec pros. was "stunned" that Hill has seemingly washed its hands of the matter. ...Neal declined comment on whether RN would be a defendant or have to testify. (NBC)

ter Horst in response to question of pardon referred press to earlier statement that public wouldn't stand for it.

ter Horst said RN signed no form of pardon for himself before he left.

Geo. Wallace says he has mixed emotions on immunity question.

Two hours after he left office, RN was named defendant in \$25 million damage suit by Phila. man who seeks to void the results of '72 election on grounds of fraud and corruption.

Monitor says w/consensus that trial would convict RN it's not necessary for nation to go thru ordeal of impchmnt. Transition of power need not be traumatic or disruptive, w/outstanding men on scene such as HAK, and many more on sidelines. But Monitor says more is demanded than orderly transfer of power: w/dangerous concentration of power in WH, the trend, if unchecked, could have eventually eroded

nation's democratic system. It's incumbent upon new Chief Exec and Hill to keep question of reform uppermost, says Monitor.

OTHER W'GATE

CBS/ABC noted not decided is whether tapes belong to gov't or RN. JSC/Buzhardt privately feuding, as JSC says tapes belong to WH and Buzhardt says to RN. (ABC) ...Nets noted GF plans to keep JSC and his staff for time being to clear up loose ends. ...ter Horst said GF does not plan to tape conversations, noted CBS.

JSC said he is no longer RN's chief WG defender but that he'll remain on WH payroll for 2-3 weeks. Uncertain whether he will go back to old firm. He also believes that Hill has no power to grant immunity.

Washington State Supreme Court suspended Ehrlichman from practice of law, pending disciplinary action that could lead to disbarment.

WH lawyers disclosed 17 minutes missing from a 3/21/73 tape of phone call between RN/Colson. They said tape "ran out" after 1st 17 minutes of conversation. ...WH lawyers also told Sirica they'd now found previously missing tape between RN/Colson on 1/5 and 1/8/73. Still missing is tape of RN and HRH on 2/20/73 of RN/HRH which may relate to Magruder. Lawyers are also still looking for RN's notes relating to the 64 conversations, w/promise of answer to Sirica by Mon.

DNC said CREP has agreed to pay the Dems \$775,000 to settle damage suit. Money to go to DNC.

JDE asked for delay and change of venue. Also asked to be tried separately.

Connally could be sentenced to 19 years and \$10,000 if convicted of 5 counts. Prosecutors expected to call at least 3 witnesses in case, including Jacobsen.

Reinecke filed motion for acquittal, charging he was found guilty because of improper conduct of Judge Parker. Also said Ervin comm. should have turned over material that would have helped to establish innocence.

Butz likened W'gate to someone from General Motors breaking into Ford Motor Co. to steal the plans for Edsel. Addressing USDA employees, Butz said W'gate break-in was "an incredibly stupid" affair.

POLITICS

Scott has no doubt GF will be candidate in '76. He said GF Presidency "first upbeat moment we've enjoyed in two years."

Harris poll of mid-July shows Dems have moved to "commanding" 55-29% lead in voter preference for House this Nov., widest lead ever recorded. Dem lead was 49-30 in May. Biggest gains in East and Midwest. Dems were well ahead on economic issues, slightly ahead on foreign policy. But Harris said defusion of WG could change all.

Primary in Georgia this Tues. finds Maddox still favored for Dem nomination for governor, but support diminishing. Probably will face runoff. Ronnie Thompson, controversial mayor of Macon, given good chance for GOP nomination.

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NEWS SUMMARY
August 16, 1974
(Nets, Wires, Papers)

The Major Stories:

- Leading ABC/NBC (#3 CBS) were reports Turks swept aside Greek-Cypriot resistance and rolled into key port city of Famagusta, in reported conquest of northern third of Cyprus. All nets noted GF urged immediate halt to fighting and reaffirmed Wed. statement from State. CBS said US "accepts" partition of top-third of Cyprus under Turks control, but said Greek's closing down US bases now possible, tho no immediate prospects of such. NBC said altho it'll be denied officially that US is allowing Turks to get their way, "end result will be just that."
- WH agreed not to remove tapes 'til further discussion w/Jaworski. Nets noted this, but in context of Buzhardt's resignation and Buchen's app't as Counsel. Jones on CBS said there were indications Jth felt he'd been misled by Buzhardt and JSC over question of WH consulting Jaworski on tape ownership. Jones concluded that whether GF likes it or not, W'gate tapes are "definite" problem for GF WH.
- CBS led w/JDE subpoenaing RN to appear at 9/9 trial. JDE on all nets declined comment, but CBS said subpoena "marked major break" between HRH/JDE, w/JDE expected to charge that RN/HRH "plotted" cover-up, keeping him in dark. Graham said it means RN could be subject to "vigorous" cross-examination...Jaworski's reportedly not yet decided whether to indict RN, but Stahl on CBS reported foreman of original grand jury has polled some other members, w/"overwhelming" sentiment they should reconvene and would likely indict.
- Majority report from Judiciary concludes RN violated laws and subverted Constitution. All nets noted, along w/minority report that agrees only to charge of Obstruction of Justice.
- Jackson on ABC/NBC (noted by CBS) reported "significant" development in progress on compromise trade bill that'd give GF power to grant MFN temporarily.

* * *

CYPRUS

All nets w/film from Famagusta, which CBS said became ghost town almost overnight. NBC said it's evident Greece "won't or can't" come to Greek-Cypriot's aid. 30 hours after start of offensive, Turks appear quite capable of capturing entire island, said NBC. ...Cyprus official said, "we are in desperate situation, ready to clutch at any straw to save ourselves or preserve as much as we can." ...6th Fleet flagship put to sea from Italy for unknown destination. It was scheduled to leave Sept. 1.

Greece reportedly unhappy w/US attitude toward Turks. ter Horst issued statement GF is putting pressure on Turks. ...Greece was so angry at U.S. failure to halt Turks it threatened to expel 4,000 US troops. ...There was an air of unreality in Athens, says AP, as Greeks streamed to beaches for holiday tho country was under military mobilization.

Ecevit said GF supports federal system on Cyprus w/ separate Greek-Turk states, after meeting w/Macomber.

When asked about w/drawal of U.S. forces from Greece, DOD said "we are not undertaking any kind of activity" pending assessment of Greek intentions. ...Mavros said US bases are protected by bilateral agreements and he doubts they can be broken. Mavros denied making statement concerning decision of Greek govt. to expel US.

Kalb on CBS said top officials believe Turk presence on Cyprus will help keep it out of Soviet orbit, and provide US w/"sort of base" in event of future confrontation between US-Soviets over Mideast. However, by pursuing "political power" route, US may've paid high price, said Kalb, w/"sharp worsening" in US-Greek relations. Kalb noted Greek For. Minister declined HAK's invitation to US.

Koppel said State said it'll do anything it can to bring compromise. Anderson issued statement US wants fighting to stop, but wouldn't explain why US continues military aid to Turks, given they've strength to win w/out it. Koppel noted Acheson tried to arrange for military base on Cyprus w/ Makarios, but was turned down. Latest developments may change this, he said.

UPI says tho UN Sec. Council in session Thurs., Britain and US have put Cyprus peace initiative "on ice" until Turks end fighting. ...Waldheim expressed deep concern to Ecevit over heavy toll of UN troops.

OTHER FOREIGN AFFAIRS

ABC/CBS noted wife of South Korea's Pres killed by assassin...CBS w/exclusive film of shooting. Dunning reported she was "much revered," but assassin ran down aisle firing at Park before body guards could act. Over film of Park resuming speech, Dunning said he spoke w/expression unchanged and w/strong voice...Park later asked cabinet to shorten official mourning period, citing pressing affairs of state.

Harriman urged sharp cuts in DOD budget, abandonment of Diego Garcia and other moves to improve climate of US-Soviet detente. "If we show restraint...we have right to demand they show restraint, but if we don't, they certainly won't," he said. He said Russians will insist on nuke parity w/US as part of price of extending the current SALT. ...Sov. Labor paper TRUD attacked Meany as "cold war supporter." TRUD said Meany resumed his "crusade" against detente in speech to Nat'l Press Club.

VC said GF Admin. was continuing RN's VN policy and warned against US "military adventure" in support of Saigon. Statement further said GF was "inciting Thieu to "accumulate ruins and mourning" for the people.

ABA resolved (117-110) support for amnesty for draft dodgers.

HK Smith on ABC commented that view of pacifists about war is wrong. Smith said pacifists maintain that war doesn't decide or change anything, but Smith said they often do change a lot. WWII decided world wouldn't live under Nazism. Pacifist solution is to stop pouring money into war industry and to not fight. Smith said US will fight and "will keep strong enough to fight." But, let's negotiate for stable relations so we don't have to, he concluded.

Aspin said Navy overrode objections of its senior civilian cost control official /Rule/ in signing \$285M contract for construction of Trident. Aspin said Rule regards this "as one of the most imprudent contracts Navy has ever made."... Bethlehem Steel, once major builder of USN vessels, said Navy contracts have made bldg. ships less profitable for private industry, thus they're turning to commercial contracts. Construction's hampered by too many levels of Navy bureaucracy.

Rep. Pike said Iran has offered to lend money to Grumman to maintain production of F14.

ECONOMY/BUDGET-RELATED

UPI leads: turning back attempts to go beyond GF's request for new CLC Task Force, House Banking approved it 26-7. ... AFL-CIO will go along w/bill, tho it doesn't think it'll do any good. All nets noted. ...GF vetoed bill that authorized \$47M in grants for animal health research.

Senate approved and sent to WH FY '76 appropriation bills for Treasury and DOT. \$3.2B is cut of \$13M from Admin request. Byrd said Admin didn't appear concerned about cut, since supplementary request would soon be transmitted to Hill. Bill cut overall Admin request by \$256M, but amount's \$91M over last year.

ABC noted House passed 377-21 and sent to GF Bill of \$11.1B for HUD. Creates one block grant to replace 9 existing programs including Model Cities and urban renewal. No community would receive less than it's already getting for at least 3 yrs.

Balance of payments showed \$6.3B deficit for 2nd Qtr.

Industrial production remained flat for 2nd straight month. UPI says stix sure to be disappointing to GFs advisers who've been counting on rebound to give boost to sagging economy.

Retail sales dipped 3% last week, but still 9% above last year.

Cattle fed for slaughter in Iowa down 25% in July from year ago. ...US Cattlemen's Assoc said supermarket price of beef up 11¢ over July.

DJ closed off 2.6 at 737.8 on 11.1M volume.

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OTHER DOMESTIC

CBS noted group of FDA doctors told Sen. panel they were frequently harassed by superiors when reporting adversely on new drugs. Several said their reports were changed w/out their consent to reflect more favorable findings. Others said they were pressured to change their reports.

Nelson proposed bill that'd require court subpoena before govt agency could obtain telephone call records. Bill would also require notification of subscriber unless it would impede criminal invest. Nelson said "reports have revealed phone co's thruout country have secretly provided various agencies and officials w/phone records of thousands..."

ABA leaders proposed decriminalizing resolution on prostitution. Resolution said it should become part of the free enterprise system.

CBS noted Senate votes 78-0 to launch 10-year \$20B energy R & D to make US self-sufficient.

All nets reported Episcopal House of Bishops declared recent ordination of women invalid, but w/drew formal charges against bishops who performed rites. Bishops admitted they lacked power to discipline, and urged it be taken up at General Convention in '76.

Lengthy ABC report on Knauer w/canning industry officials to discuss tin shortages mostly affecting housewives involved in home canning. 4 out of 10 families do some kind of home canning -- jar demand up 40% over last '73.

Greg Jackson: Soap Box Derby being held in Akron, Ohio -- rules being strictly upheld as a result of scandal last yr. when contestant hid magnet in front of car. Scandal hurt popularity of Derby, number of contestants down.

Soap Box Derby being held in Akron. ABC/CBS reports, as Derby officials try to recoup from last year's cheating scandal that cost Derby GM sponsorship and tarnished reputation. Financial aid -- at 97M from contributions -- is one-half last year, and no. on entries down. But officials are being extra cautious on vehicle inspection, said CBS, and they're optimistic they'll regain old stature.

Postal Workers said no-contract no-work proposal passed by convention delegates overwhelmingly will show USPS they mean business in contract negotiations. Proposal did not give the union right to strike, but was an expression of member's feeling.

Weinberger reported "real momentum" in getting Health bill passed, after meeting w/Ways-Means.

ADMINISTRATION

GF named Dr. Lukash his personal physician....Lukash said "GF will make my job easy," referring to GF's health.

Buchen is former GF law partner. Buzhardt will remain at WH thru transition....Shakeup in Counsel's office indicated GF moving to wipe out last vestiges of WG in WH, said UPI.

ABC film of Marsh swearing-in....GF streamlined oath-taking w/ Marsh. He cut Marsh off from making remarks. W/ smile, GF said "your feeling toward him was indicated by applause... I suggest we all get back to work."

2

NBC's Brokaw reported/new faces at GF's meeting this am: Scranton and Seidman. When GF's not in meetings or occupied w/ Cyprus, said Brokaw, he's on phone. One Dem MC called it "whole new tone," and source in Hill Liaison said his work's tripled....And ABC's Jarriel reported GF's "hectic pace," w/ foreign policy decisions and staff changes.

Leaders of Nat'l Assoc. of County Officials after hour-long mtg. found GF sensitive to and knowledgeable about county govt problems. But they said he said they wouldn't get all Fed. money they might want. Westchester County's Delbello said GF "asked for cooperation of local govts. in fighting inflation...."He's obviously dug his heels in and wants us to do the same." Smoot, Pres. of the group said "we think the door has been opened for increased communication."

UPI leads: "30 Mayors and Govs, normally wary as alley cats let into the kitchen, went to WH to talk to GF Wed and came out purring like kittens."...Irwin in LA Times said Bradley reported "very warm response" from GF. When suggested mayors wanted chance to present views on cities' problems to someone high in Admin, Bradley said GF said "start w/me." Bradley added that delegation had left meeting "almost w/ sense of elation over positive representation we haven't had at WH for last 3 yrs."

According to AH's brother, Rev. Frank Haig, contradiction in RN tapes relating to WG was very devastating period in AH life. Rev. Haig said there was point when his brother seemed to be battling w/ himself. AH is military man and used to disaster, he said, and when he 1st heard tapes he supported RN and was convinced RN story was accurate. He described his brother as decisive individual who may have offered to resign if RN didn't. He'd probably like to return to military said Rev. Haig, but one thing he didn't want to be he turned out to be: "a political general."

Claude Lewis, black columnist and Bulletin assoc. editor, says no matter your politics, fears hopes and desires, you "have to be at least a little impressed by GF." He recalled wk. before replacing RN, he heard GF speak. Speech seemed contrived, filled w/ cliches, and words somebody else wrote, but there was a determination in him (in Hill speech) that never seemed to be there as VP -- a strength and resolve that'd suggest that perhaps all jokes about his ability and brainpower "are a little misplaced."

UPI analysis leads: "Dems who might be tempted to accept LBJ's assessment of GF as man who played too much football w/out a helmet, better take a new look -- and listen -- at the new Pres." GF demonstrated in speech to Hill he's shrewd politician and in present situation, not willing to accept that GOP will take bath in Nov. GF signaled his political know-how w/ 2 references in speech -- 1st was remark about giving SOTU at least 3 more times. 2nd remark was 1st specific request to call voters to support candidates who consistently vote for tough decisions against inflation. In urging election of non-spender, GF also gave boost to South. Dems who hold conservative side of road.

Brinkley reports some in WH talk of plans to cut down on "imperial trappings," such as limos, etc. Result of such trappings, said Brinkley, was that those making decision affecting people of US never experienced life of the people. That RN-men thought everything was so great, Brinkley concluded, "it's easy to see why."

Nancy Howe named Personal Secy to BF. She's native of Lynchburg, Va. and wife of an Army officer....WWD says BF will do away w/ formal U-shaped tables for Hussein dinner. She's arranged for dancing and invited 100 young people to join party after.

CBS found Steve Ford in Ocean City, where reporter said he's "trying to get away from it all." Steve (on film) said of his father, "He's just my father -- man who brought me up." Steve indicated it's a problem to him to adjust to his father being Pres. Steve said he doesn't see any change in his brothers or sister -- we're just a family, he said, w/ everyone doing his own thing.

Correction: To Wed N.S. that reported JtH on CBS AM saying GF reads Detroit Free Press. Should have said Detroit News.

RN/W'GATE - RELATED

Legal status of RN, led Mudd on CBS, which hung over DC like cloud for so long, finally began to take clearer shape. Stahl reported, as did other nets, that JDE subpoena "commands" RN's appearance, and provided RN \$302.00 for expenses. Stahl said subpoena was mailed Thurs. to US Marshalls in Calif, w/instructions to serve immediately. Over film of subpoena document, ABC's Zimmerman said it commands RN's appearance in "manner of any other citizen."... NBC said \$302.00 won't/^{even} pay air fare. ...All nets noted Jaworski joined JDE's atty in requesting trial delay to provide all parties time to study new tapes.

CBS' Graham said RN would be major witness, and "not necessarily a willing one." Tho Frates refused to discuss substance of case, he indicated (on film) he regards RN's status same as any other citizen, and he'd probably be under cross-exam "for some time." Frates wouldn't comment to Graham's observation RN could plead 5th, but said he didn't know if RN would resist subpoena.

ABC's Geer from San Clemente said many residents still proud to live near former Pres. City's police force will continue protection, and will ask again for Fed. grant of \$230,000 to pay for 10 officers added since RN became Pres.

When asked if he would still accept job as RN's WG lawyer, JSC said "I've thought a lot about it," and decided I would."

All nets noted Judiciary's majority report will conclude that RN, "for more 2 years...engaged in course of conduct which involved deliberate, repeated and continued deception of US people."

Wiggins (on NBC) said it's important to dispel notion that RN was hounded from office, tho he said there was "an element" of media role in such...Chung on CBS said Wiggins and most others agree Judiciary report should go to House only for inserting into Record, while others argue it should receive receive vote of support. Wiggins (on film) said if any MCs required to put his name in support of report, he should have benefit of full debate. But Wiggins sees keeping the sore open not in nat'l interest, and hopes House will not

pursue matter. But Rangel (on film) disagreed, calling it very important that "vehicle be found" for getting on record why RN really left office, as opposed to RN's explanation in resignation speech. That "vehicle," he explained, would be a vote on "consensus" of Hill. Chung concluded w/note she asked Rodino if he thought RN could've avoided whole matter if he'd come forward w/truth in beginning. Rodino replied, she said, he thinks "it could have been otherwise" as US people "like to forgive."



POLITICS

Mansfield set longevity record for Sen. leaders -- 13 years, 225 days.

Harris Poll reported EMK holds slim 47-46 lead over GF in present sentiment. Poll taken in July. Harris noted EMK-Wallace slate gave GF 48-44 lead w/out regard to GF's mate. GF-Brooke ticket led EMK-Wallace ticket 48-43.... John Roche ways Robt Sherrill "most talented hatchetman in business," set off "a bomb" in 7/14 NYT mag. piece on Chap-paquiddick. He went for "all the weak joints" in EMK's armor and it was "devastating." Thus., Roche asks why did he do it? To signed lib intelligentsia, Roche answers, that EMK would be bad news in '76. Roche says EMK would be "clobbered."

News American's Hall believes GF laid down post-RN platform in Hill speech, and some Dems now wonder if they, not the GOP, will be pol. victims of WG. Aspin feels "like I've been hit by a truck and Ford backed it up and ran over me again." Hall noted GF's a "creature of Hill" and said he was conciliatory and promised many legislative compromises, but message was clear to Dems. Hall predicts Hill campaigns will be fought out on economic grounds and GF "will lead the charge" to lay blame on highrolling Dem Hill. "Fact that GF laid down the gauntlet" only 4 days after he'd been sworn in...surprised some who'd expected him to stress nat'l unity to exclusion of all else. One Dem said "he took political baton from RN and didn't miss a stride." Tho members impressed w/ pledge to be "working partner," it was "equally clear" there'll be frequent collisions. GOPs he campaigned for as VP, says Hall, have pronounced him a "potent weapon on the husting," w/ Dems clearly worried "his potential to cause them trouble will redouble." Hall concludes: glance at "overjoyed and relieved faces on GOP side as GF strode down center aisle was enough to suggest that election of veto-proof Hill now may be unattainable."

ABA Comm. on Judiciary voted to oppose Meskill to Fed. bench.

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NEWS SUMMARY
August 13, 1974
(Nets, Wires, Cont'd Editorial Reaction)

The major stories:

- AP leads: "President Ford asked cheering and applauding Hill to help him get US 'revved up and moving again'." ...UPI leads: "If he didn't have it before, GF won allegiance of Hill long starved for WH recognition it's an equal branch of govt." ...Net analyses of address to Joint Session ranged from 5 to 17 minutes. ABC w/lengthiest review: Smith noted there'd be "at least 3 more speeches," suggesting GF'll be running in '76, but it was "right speech, for right occasion by right man to the right body," said HKS. ABC's Hill man, Clarke, said GF "held out several olive branches" by accepting Mansfield's call for summit, but also seemed to be saying he's in charge. Reasoner said GF will make "very strong Pres" and concluded that, in GF, "there's lot more there than what we thought..." Chancellor on NBC saw "as much warmth in Chamber as we've seen in years," and believes speech that was interrupted 28 times for applause will best be remembered for GF wanting "not honeymoon" but "good marriage." Severeid on CBS perceived GF as not Model T, but "Model A" -- no fancy grille-work, "very well put together," fixable if it goes wrong. Severeid saw an "utterly dramatic" change in mood that he's not seen in years in Chamber. Rather called it "cautious, conservative" speech in which GF "touched nation's yearning for stability."
- Pre-speech, ABC lead reported GF moving "full speed" in 1st days, looking to economy. NBC lead reported first speech to Joint Session as Pres. w/ economy expected to be important part, while CBS led w/ film of GF departing home and arriving at 7:25 a.m., "ahead of many of his aides," and later concentrating on economy. All nets w/film of GF w/Hartman, whom CBS called his "closest personal aide," while NBC's Brokaw called him "principal aide and speech writer." ABC/NBC called GF's reaction to GM price hike "jawboning," and CBS carried over-print of entire text of statement. GF said he can't call on others to sacrifice if one or more parts of economy decide to go it alone.

- ABC in #2 report said GF wants Admin to have his own imprint from "VP down to staff level," and Jarriel reported if GF followed advisors, he'd replace everyone from RN staff, including AH. Scranton on ABC said he doesn't believe GF's Admin has "tinge" of W'gate due to hold-overs. He said, of course, if one carried it to "nth degree" one could so conclude, "but that wouldn't be fair." ...CBS reported Bush emerging as "front runner" for VP. ...Susan Ford on CBS feature, said by reporter accustomed to "casual" and "unaffected" life in Va. and hesitant about moving into WH. She said the change hasn't really hit yet, explaining "everything's a kind of blur" now, w/total confusion and everyone running around. She doesn't mind USSS, but declared she'll "always wear jeans...I will not throw them out." ...All nets noted GF's reaction to Michael's call for RN W'gate confession. His children have spoken for selves since they learned to speak, and not always w/advance approval, and he expects that'll continue.

- USDA forecast nation's corn crop will be 12% below '73's record harvest, smallest since '70. NBC's Chancellor said after month's of too much rain, followed by too little, experts expected pessimistic report -- "and it was." Levine said USDA's Ahalt "summed up the bad news." On all nets, he said US can expect food prices to be affected upwards in '75. Levine said disappointing crops will "handicap" Admin in 2 ways: need for more subsidies while trying to cut govt spending, and food prices -- up 12% so far -- probably up another 2 or 3% by year end. ...CBS called the forecast "way down" and "certain to mean higher meat prices next year." (ABC noted.)

- Schoumacher on ABC reported RN's tapes have not yet revealed their final secrets, w/some in Jaworski's hands said to contain more damaging information that led to RN's resignation. He said GF's been warned of "more to come" on RN role and, while he could pardon RN, Jaworski doubts he'll do so til all evidence is out. Schoumacher reports Jaworski "moving" in direction of prosecution of RN, despite its unpopularity. But aide said "we're not taking public opinion poll on this one..."

-- All nets noted JNM asked Sirica for delay of 9/9 trial, as RN's resignation makes foreseeable more fair trial. ...CBS said Jaworski's office and defense attys appear to be engaged in "cat-and-mouse" plea bargaining. Stahl reported Jaworski's receptive and ready to listen, while HRH atty said he'd done no plea bargaining "today." ...Film of JDE on NBC/CBS in which former top RN man reflects on past events.

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REACTION TO SPEECH

UPI leads: "Hill Dems eagerly joined GOPs hailing GF's 1st address to Joint Session as MCs of both parties -- liberals and conservatives -- were high in praise of both content and tone."

Proxmire called it a "very good speech. He called for our cooperation and he's going to get it in full."

Schweiker pledged "full support to GF to get economy under control..."

Long praised the speech, but conceded he's "dismayed" GF indicated inflation could be controlled by cutting budget, adding that's not the whole problem...that's a small beginning, a drop in bucket," he said. ...Long, who holds key to both trade and nat'l health, said he's confident both could pass this year. But Ullman who's Ways-Means Comm. is working on health said he's afraid if they push it thru this year "it wouldn't be as good as it could be."

Muskie said he'd "some questions" about GF's economic policy. He said GF suggested Fed spending was cause of inflation and it isn't that simple..."cutting govt expenditures alone won't cure inflation and can trigger a recession and bring higher unemployment," he said.

Mansfield said "I was impressed" and was joined by Scott who called address "a bellringer." Scott added it was "a good speech...what the country needed...it should give US sense of kinship." Mansfield noted he was glad GF had accepted proposal to call summit meeting on economy.

HHH called it "a solid, homespun message" which gave country what it needs -- "a sense of confidence." But HHH said GF's formula for fighting inflation was simplistic."

Church noted: "It was straight talk from a straight shooter; a good beginning for new Admin."

Mondale praised GF's call for compromise but said he regretted omission of any mention of campaign reform bills.

Bentsen said "It looks as tho we're moving from era of confrontation to cooperation, and Hill will meet GF more than half way in that regard."

Griffin thought it was "tremendous."

Hart said speech showed Americans what Michiganders have known all along -- that he's a "decent, honorable guy."

Mathias called speech "strong" and a "fresh breeze blowing over Hill. I think it's clear there's new management in charge of Govt. and there are going to be new policies."

Hatfield said "GF is just what doctor ordered. His speech was a political transfusion, and I've faith the patient will regain both health and spirit."

Jackson also said "It's just what the doctor ordered ...he was candid. I think he did very well...it's a very good beginning for him." ...Jackson's apparently ready to compromise, says UPI, on trade bill.



EMK said speech indicated, in "political sense, it's an entirely new ball game." Hereout, he added, elections "are going to be decided on issues and not" WG.

When ABC asked if he'd heard he was VP candidate, Baker said "nobody's list matters but GF's." He added he'd be "flattered, I guess" to be VP. Baker expects GF to be realistic w/out confrontation and thinks nation's come out "very well" since Ervin Comm. With GF, who is "so obviously warm and human" and w/ country "so obviously in good shape and responsive to him," we'll endure, said Baker. When Smith said the 2 words that made "best copy" were GF's 3 speeches, Baker replied he wasn't sure statement is binding. Thinks maybe GF was "pulling leg" of his friends, but Baker said "Frankly, I hope he does run again."

Muskie on ABC said mood of Hill is to listen and try to cooperate w/ GF, but he has "some questions." He said Hill realizes "need for prudence in spending, but that alone won't cure inflation because it could trigger recession, cause unemployment, and worse problems than we have now. When asked about 3 more speeches, Muskie said, "It seems to me it was an announcement" or "he was having fun with us."

Albert, beaming, called GF "great American" and said Hill will do all it can to help him succeed.

Tip O'Neill thinks GF got "little partisan" in priorities, but noted GF mentioned "compromise, conciliation." "Our door is open," said Tip....O'Neill said "he was the GF we all know. A warm human being despite the awe of his high office. He asked for our help and our continued criticism and you can bet we'll give him that."

Rhodes called it "a great speech...I don't remember hearing a speech as right for this moment as was this one."

Rodino said "I was delighted to hear" his pledge there'd be no taping or bugging."

Quie called it "gutsy" and said "if anyone wondered whether he's his own man or if he has courage, you could tell it tonite."

Johnston "hails GF's speech as hopefully ushering in new era of fiscal enlightenment and insight into problems besetting the Nation."

UPI leads: "In sharp reversal of past practice, Black Caucus decided they'd not boycott Pres'l address to Joint Session of Hill."

Hogan said GF "hit just right note." Hogan added that after all recent problems in Exec Office, people will be "strengthened" by GF's strength and integrity. He said GF has grasp of nation's problems w/ "no doubt" they are uppermost in his mind. Hogan noted further that w/ new Admin GF deserves everyone's support "regardless of political affiliation."

Bush said GF "set exactly the right tone...by listing his 1st priority stopping of inflation."...Bush on ABC said that w/ GF in WH he feels more confident now "than in last 18 months." When asked if he's heard rumors about becoming VP, Bush said "Yeah, I've heard some." He said if it happens, he'd be "surprised and pleased." Bush said GF was challenging both GOP and Dems to lay differences aside and work to stop inflation. In talking about strong defense, Bush says no dept. is immune from reasonable cuts and GF is talking about cooperation to live w/in balanced budget.



UPI leads: "It's amazing how different economy looks from opposite ends of Pa Avenue." During his 25 years on Hill, GF took good care of Grand Rapids...even if it pushed overall fed budget into red, but such looked less attractive to GF as Pres., who's suddenly faced w/"monumental task" of tugging budget into balance. It was gentle reminder that spending bills are going to get "hard look" in Oval, says UPI's Carlson.

Hill likely to give GF broad new trade powers he requested, says UPI, and there's better than even chance "it'll recreate CLC. But his admonition to" sit down and sweat it out" on health plan is likely to go unheeded.

Chamber's Booth promised GF "strong support of business," and added "bravo is too weak a word to describe Chamber response" to gen'l thrust of his pledge to fight inflation. Despite reservations Chamber feels about a watch dog unit, like CLC are genuine, "but they fade into background in bright promise of positive results we foresee in prospects of balances budget."

Julie and David watched GF's speech to Hill w/1st family in Exec. gallery, and joined in most of applause, but sat stony-faced, staring straight ahead and not applauding when GF said there'd be no illegal tappings, eavesdropping, buggings or break-ins. They met briefly w/GF after speech, and left Capitol w/out talking to reporters. Asked how WH packing of family's effects was going, Julie turned and said "I'm not giving any interviews---private citizen."... All nets noted their presence.

RN watched speech and sent telegram commending GF for "splendid" speech. All nets noted RN planned to watch.

HKS called speech "well constructed w/good deal of humor," noting GF is "not known as a humorist." Reasoner observed that Washington is like a club and GF is a member of that club. HKS repeated GF's remark that "he's a Ford, not a Model-T," saying that is like "reassuring libs on Hill he's not a reactionary". Reasoner said GF seemed "conciliatory toward Congress "but not afraid to tell them he has veto power."

Jarriel at WH said "address was as new as a baby first shoes." He made many "predictable and admirable" proposals, but difficult when put into action. He said new things GF is going to do include presiding over domestic summit. He seems to want Hill leaders down at WH before Am. people to show public how difficult it is to come to grips w/economy. Jarriel said ref. to "3 speeches" was "hinting strongly" he'll run in 76.

Smith concluded ABC analysis calling speech "a rather good one". He noted that GF got "36 bursts of applause in 35 minutes," but w/ later speeches, "controversies will come". Reasoner agreed saying "one speech does not make a presidency". He noted nature of applause and that by pages 3 and 4 of speech where GF made specific proposals, applause was less and said that "euphoria does not last forever".

NBC's Chancellor noted applause "almost once every min." Levine noted Dem Hill had originally opposed CLC, but w/Bentsen revival and GF approval, it may gain support and will caution against undue price hikes. Re: economic summit, Levine said such couldn't do more than be "form of airing to the problem", but that GF's preliminary concern in the report to Hill would emphasize great concern for inflation, Chancellor said if there were viable inflation cure, it would've been tried.



Rather on CBS recapped highlights of speech as inflation w/ 1st priority, emphasis on internat'l economics, caution against unwarranted defense spending, and hot pursuit of tough laws. Severeid said it almost seemed like happy occasion, and GF "could've said almost anything" -- he could've read from phone book and sung doxology -- it didn't really much matter what he said. Eric said GF was "strictly conservative" on economy, but he got at real danger, inflation. Severeid said "W'gate didn't tear nation apart," but "inflation could." It's doing so abroad and is "most socially disintegrating" disease there is, and GF's advisors know it. He'll have to cut budget a bit to control inflation, said Severeid. Jones, who's reported on GF as VP, said he's heard same kind of speech around nation. But he accomplished his purpose, in setting tone, "very successfully." Jones was interested to see sign of RN men's recommendation, but Jones saw nothing of it. Severeid views as "rather extraordinary" GF's statement, "in effect," that Constitution commands respect of Pres. on foreign policy matters. LBJ found out otherwise, said Eric, and he wondered what Fulbright would say. But GF "knows that's not realm of our problem now." Rather concluded GF "plotted cautious course, open door policy, and called for cooperation and compromise."

In impromptu news conf on home doorstep after speech, GF said he hoped he'd laid foundation "for kind of cooperation he thinks essential." He was all smiles, says UPI, which also notes night was not over, w/ first of guests arriving for post-speech party being AH, who thought speech was "splendid."

In advance of speech, Nessen on NBC said GF had originally planned short speech, but expanded it to half hour to devote "considerable" time to plans to combat inflation. While specifics will come later, he'll ask Hill to approve stalled bills, including health. Nessen noted GF worked on speech himself, in which he hopes to set tone of honesty, cooperation w/ Hill and lack of bitterness of opponents. In other words, "completely different tone" from RN WH, Nessen concluded. ...CBS Jones said WH word was message won't be classic State of the Union, w/ no "laundry list" of bills. Rather, GF's expected to emphasize as his no. 1 priority "economy and runaway inflation," GF's expected to ask Hill for guidance and call for restraint among both labor/business. He'll express continuance for RN foreign policy, and reassure old colleagues of proposal for compromise/cooperation between Exec and Hill. Speech generally intended to "set tone and spirit" of his Admin. Jones

reported some "hold-over" RN men had recommended GF take harder line by denouncing Dem-controlled Hill for not passing RN legislation, and to remind them of separation of powers. This "shocked" GF staff, said Jones, w/ one aide commenting "now we see why RN Admin never got along w/ Hill."

ADMINISTRATION

Chancellor led NBC's #2 report w/ note "WH presently w/out a First Family," and Brokaw reported Mrs. Ford plans to tour WH Tues. Brokaw said GF's day began w/ series of meetings that included HAK and AH. Economy and a foreign policy appear to be top priorities on his desk, said Brokaw who noted Fahmi meeting Wed. and GF's 1st State Dinner Fri. w/Hussein.... Rather on CBS in lead said GF emerged from home after swim smiling w/ papers under arm which probably include ideas for dealing w/ inflation.

GF expected to appt. Dr. Lukash, as personal physician... GF asked Timmons and Hill liaison staff to remain permanently. He also asked other top WH aides to remain at least during transition, says AP.

All nets noted Malek resigned, 1st senior official of RN admin. to do so, tho he'd indicated before RN left that he'd like to return to private life..... CBS said he'd been HRH protege.

Scranton said he's sticking by past declaration that he doesn't want permanent govt post.

Saxbe discussed Justice matters w/ AH in preparation for a possible mtg Tues. w/ GF, says UPI. No discussion of WG matters or Saxbe's role as AG under GF, Justice said.

WH aides rushed arrangements for series of meetings later this week between GF and such groups as mayors, county officials, ethnic groups, business and labor, to stress the stability and continuity of govt and to solicit ideas for approaches to nation's problems.... ABC noted GF invited Black Caucus to WH. Rangel said "invitation...is indicative of seriousness of his intention to open his Admin. to advice and counsel of those of us who represent people whose views and needs were ignored by RN admin."

Mansfield said "We do have better climate, no question about it, and we'll have more cooperation between GF and Hill... I think that honeymoon will last up to and thru election, because we want to cooperate and work in partnership..."

GF according to AFL-CIO voted "wrong" 109 times and "right" only 19 during 25 year Hill career.

AP leads: "Great search has begun for way to keep GF's tummy flat and his disposition pleasant. He needs a swimming pool for that," tho GF pledged not to restore defunct pool. "I'd never do that," he said Sun night.



Lengthy UPI leads: "Exec. had little if any direction from WH during last days of RN admin., but officials expect GF to exert firmer command." Survey indicates they anticipate GF will be more concerned w/ economic problems, social programs and labor. Toote, Ass't HUD Sec'y speculated he'd be "progressive on civil rights and housing," but "I think there's some uncertainty." Labor, re: RN's lack of labor support, "GF's different...I think he's going to be looking for at least a brief romance w/organized labor. He may look for longer romance to deal w/ economic problems nation faces." DOD noted no new initiatives and GF has traditionally favored strong armed forces and he's expected to continue working for detente and MBFR w/ USSR and nuke limitations. USDA: aides to Butz noted they'll be least affected by changeover because most of basic policies are fixed by law and it was able to carry on w/out guidance from RN WH; "but we'll be happy to see full time direction." Justice: Saxbe boasted that he was free to work independently under RN, apparently a lesson of WG, but will leave GF Admin if there's any indication of change in WH policy.

Univ. of Mich. faculty/staff publication The Univ. Record printed following alumni note: "GF ('35) has a new address: 1600 Pa. Ave., Wash., DC." NBC noted.

Reasoner commented that when RN was inaugurated in '69, RN's "enemy" cartoonist Herblock drew a barber shop w/ caption: "every new Pres. gets a clean shave in a clean shop." Herblock drew RN clean shaven til a year ago. Reasoner noted same offer to GF and that "its easy to give this man the benefit of the doubt." Noting it was never easy to be fair and at ease w/RN, Reasoner said most are completely comfortable w/GF and GF assumes that people as diverse as Hill, press, and Soviets are inclined to "honor and candor." Where "RN saw enemies," Reasoner parallels GF sees "adversaries." He concluded even tho GF was on minority side and Hill and will be in minority as Pres., it makes one feel lucky that "God takes care of fools, drunkards and US."

BF said no definite time set for move into WH. She had to postpone tour because of schedule, which included Tues. nite speech.

VICE PRESIDENT

Rhodes said he asked GF during Sun mtg. not to consider him as VP nominee. When asked to name front-runners, Rhodes commented there were 4: Goldwater, Rockefeller, Bush and Reagan. He also said Laird was possible candidate. ...Rhodes wrote GOP MCs requesting choices in a sealed envelope addressed to GF and have it in Rhodes' office by 3:00 p.m. Tues.

Sens. Bellmon and Bartlett advised GF of Bush, Evans or Rumsfeld as choices for VP.

Scott said GF is "nowhere near" a final decision on a VP but he expected by mid-wk. the list would be cut down.

NE GOP Chairmen's Assoc. which rep. 11 states endorsed Rocky. Bush was 2nd choice.

ABC said Laird and Rhodes will serve elsewhere, and Jarriel said 3 favorites are Rocky, Bush and Baker. Scranton (on film) said GF hadn't asked him for criteria for VP, but added GF is good listener and has invited comments from Hill and others, adding that process will take quite a while.

Re: female VP effect on country, Mansfield said nation's ready. "Why not. They're just as good as we are. ...We might learn a lot from her." He added he's not been asked about his choices nor did he think he should be, noting he doesn't believe any Dems should be considered.

UPI leads: "GF hasn't ruled out a woman in his search for VP. Woman most often mentioned is Ann Armstrong..." ...AA, recuperating from minor surgery said she's "indeed honored." She said manner in which GF is reaching his decisions, seeking input from a wide cross-section, is indicative of open and fair approach to govt."

Trib says to further US stability and restore govt, GF must move "carefully but quickly" to choose new VP, and it may be "one of most difficult choices" he'll ever have to make. While new VP need not share GF's ideological view entirely, neither should he be hostile to them, and he must be man of proven ability and demonstrable integrity. While none on list of possibles fully meets all criteria, among those coming close are Laird, Richardson, and Baker. And Trib sees some who'd not be sound choice: Percy and Reagan, both being too far from opposite ideological pole w/in GOP.

FOREIGN AFFAIRS

NBC's Goralski said HAK was busy Mon. w/ ME policy set during RN Admin, which "could change" under GF. Number of goods promised Arabs and Israelis may not be delivered. Goralski said US and Fahmi parties (on film) were "unusually large," w/ Egyptian concern over aid desired to begin nuke planning. They're also concerned about promised food assist. Egyptians are aware of Hill opposition to nuke facilities, and US may not be able to provide all food needed, which Goralski said now stands at 3-times amount US set aside. Goralski concluded GF may be "hard pressed" to maintain level of assistance desired.

HAK and Dobrynin met. Officials said they were not sure if Dobrynin brought special message to GF, but wouldn't be surprised if he did. UPI says Soviet officials were quick to make sure detente would continue despite change in US leadership.

AP leads: "Broad outlines of political settlement to Cyprus crisis began to emerge after Britain proposed compromise plan allowing 'patchquilt' of Greek/Turkish Cypriot districts." British Foreign Secy. Callaghan reportedly won near agreement... But later wire said while broad outlines of possible political settlement began to emerge Greece balked at compromise and plunged Cyprus talks into new crisis. Turks sources said compromise plan would've created 1 autonomous Turk Cypriot canton in No. Cyprus around Kyrenia, currently occupied by Turks.

Karamanlis met w/ military commanders for 2nd straight day as Grk troops/tanks streamed into port of Piraeus. Speculation continued fresh troops were ready for Cyprus should outbreak occur.... Greek Cypriot nat'l guardsmen traded rifle/mortar fire w/ Turk villagers on Cyprus, breaking the truce which had held for past 3 days. NBC noted.

In Syria's 1st military shapeup since war, Assad reshuffled military command in case Israel launches war. Damascus papers charged Israel w/ concentrating troops and hardware along Syrian/Egyptian fronts to wage another war.

Bangladesh will get \$2.5M in UN food aid.

ECONOMY

AP leads on GM price hike: "GF, in 1st economic statement of his infant Admin., declared in this critical period... it's essential that industry and labor exercise restraint in their wage and price actions."... terHorst said he was not aware of any personal contact between GF & GM execs.... GM said it'll "stand by our letter to dealers," which sought to justify increase by saying GM will still absorb added costs^o/cars and trucks.

UPI leads: "Faith in GF's desire to cure US inflation and a report from OECD boosted US dollar's value on bread front. Gold sold at mixed prices."... AP leads: "Stock market prices slipped slightly in very quiet trading in an atmosphere of watchful waiting for GF's address to Hill..."

On basis of Aug. 1 conditions, USDA showed total output of all major U.S. crops 13% above '67 average, down 7% from last year.... Talmadge promptly called for emergency hearings on crop situation to explore possible need to limit exports.... USDA estimated '74 tobacco crop at 1.97M lbs, 13% above '73.

CEQ's Peterson said investment for environmental clean-up can't be blamed for inflation. He said "statements which refer to expenditures made for environmental purposes as 'non-productive' demonstrate basic confusion between accounting terminology and reality. Nor is the economic impact of expenditures nearly as significant as some would have us believe." He noted CEQ figures added cost of env'l programs accounts, at most, for about 5% of inflation. He said main causes were 4-fold increase in foreign oil prices and rise in food prices caused by shortages.

NBC/CBS noted UMW called for shutdown of US soft-coal mines next week as "memorial" to victims of black lung. 110,000 - 120,000 workers will be affected... Bargaining continued between machinists and National Airlines.



OTHER DOMESTIC AFFAIRS

ABA's Smith proposed amnesty for draft evaders to eradicate last symbol of "the cancer of VN". He's convinced GF will cleanse WG wounds. But Smith said US will remain divided til it deals w/"the ongoing living tragedy" of punishment and exile for those who refused to fight in VN out of a sincere belief it was wrong. He noted "ultimate forgiveness of govt'l punishment is fully compatible w/our nat'l traditions."

ABC noted US Civil Rights says suburban govts have created "white nooses" around US cities by perpetuating segregated housing thru unfair zoning laws and nonenforcement of fair housing ordinances...

Black-owned co. announced plans to build \$250M oil refinery at Tuskegee, Wallace said it shows how "people of goodwill and vision of both races can cooperate for their mutual benefit."

House Banking Subcomm. began today refining details of bill to ban credit discrimination against women and minorities.

House voted 337-49 to void govt. regulations requiring cars to have seat belt interlock systems, buzzers or air bags. All nets noted.

FTC judge dismissed merger complaint involving Warner-Lambert and Parke-Davis.

Moving for the 1st time to enforce 1 of its clean air control plans, EPA gave 1,500 cos. in Boston area 1 wk, to come up w/way to cut number of employee parking spaces by 25%.

RN/SAN CLEMENTE

Montreal Sunday Express reported group offered RN \$1M for VP papers and quoted Passman, rep. of group made up mainly of Dems saying "they instructed me to tender RN an offer of \$1M for VP papers, w/ \$200,000 to be paid immediately and remainder w/in 15 days after acceptance of offer." Report said group was interested only in papers, not personal files of WH years and if RN accepts offer, papers will be published in book form thru syndicate.

Coast Guard vessel that patrolled off WWH was w/drawn.... CBS w/ film of RN departing compound for hour pleasure drive w/ Rebozo.

AP leads: "House apparently will take no action on Judiciary impcht report except to make it widely available to public." Strong resistance developed to what critics described as an indirect vote on impcht,. Consensus is developing that House should limit its action to authorizing printing of a large number of reports, 50,000, printing it in full in Hill Record, or both. Final drafting of document has been delayed for new evidence available last week, consisting of t'script of 6/23 conversation, tho it'll probably be midweek before final draft is available for circulation, even w/in Judiciary.

UPI leads: "While there appears to be strong sentiment in Senate that RN shouldn't be prosecuted for any crimes, there seems to be little support for passing resolution to that effect." Brooke resolution has gained little support and ldrs of both parties say there's no chance it'll pass.

AP leads: "Judiciary GOPs and Dems agreed that House acceptance of impcht report on RN shouldn't be turned into 'back door vote on impcht.'" Some Judiciary Dems noted they want at least formal House vote accepting commit. impcht report, but Rodino doesn't favor even that. He says he wants to close-out proceedings and not re-issue subpoenas for tapes.

ABA's Smith said RN's admission he w/held evidence "was tantamount to confession of obstruction of justice." He added, "as to whether he ought to be prosecuted I think that should be left to the authorities. I don't believe in blanket immunity to RN simply because he's a past pres." ... Nat'l Lawyers Guild urged RN "be subjected to ordinary processes of criminal law." Resolution adopted at group's annual convention and said RN should be subjected to professional discipline to determine his fitness to practice law.

ABC's Shoumacher said Jaworski is more dedicated to his "institutional obligations." Shoumacher noted that Jaworski once felt that decision on RN was "an obvious one," and could be made w/in days, but now he's delayed for new tapes and timing of JDE's and others trial and w/chance for "emotions to cool" before the Jaworski decision.

Sargent and Bond, 2 GOP Gobs who described themselves as "moderate," said RN shouldn't be granted immunity from criminal prosecution; however, both were unenthusiastic about prospects of seeing RN indicted and possibly jailed.



OTHER W'GATE

Sirica spent weekend in locked, windowless jury room listening to tapes...Courthouse officials indicated Sirica wants to finish listening to tapes by end of week.

WH attys Chester and Staudt said 52 or 53 tapes have been turned over to Sirica. Chester didn't know who owns tapes of RN's Pres. conversation or whether RN has asked for them. terHorst said RN's other WH tapes are in custody of USSS and that question of what to do w/them is "still being studied." Saxbe was seen in corridor near GF's Oval Office Mon., JtH said Saxbe was there to meet w/AH to discuss pending legis., "rather than anything to do w/tapes."

All nets noted HHH's former Press Sec'y Sherman pleaded guilty to aiding and abetting illegal corp. donations by AMPI. Both HHH and Abourezk have said they're unaware of nature of contributions.



POLITICS/MISC

Rep. Harsha, R-Ohio said he's been persuaded by GF to continue. "GF asked me to stay on because I was in a very strategic position," he said. Harsha is ranking GOP on House Public Works Comm.

In clip of Maddox campaign ranging from county fairs to church sermons, ABC's Snell noted Maddox rec'd a recent endorsement that he doesn't want because it's from KKK and is contrary to the image he's projecting. Snell, noting that Maddox is most entertaining candidate running for anything, anywhere said that poll indicated 40% of Ga. voters are committed to Maddox and 11 other gubernatorial hopefuls are running for 2nd place, w/Maddox as main tissue. Similar CBS report that noted Maddox admits he's a segregationist - but only when asked if he wins Dem primary, said reporter, it'll mean Georgians prefer "old order" politics to the new that's been heard about so much.

Ribicoff declined to endorse Meskill for Fed. bench. He told Eastland he'd "w/hold (my) personal position..."

House Subcomm. approved return to standard time for 4 mos. this Fall and Winter to provide brighter am's.

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NEWS SUMMARY
August 22, 1974
(Nets, wires, papers, edits)

The Major Stories:

- All nets led w/JtH announcement GF's decided he'll "probably" run in '76. "If any GOP or Dem had doubts," said CBS, GF erased them, and "only cataclysm" could now prevent it. All nets w/film as GF told press NR stated it well yesterday, declining to express it himself, and wanting "you to worry about that." Brinkley said GF/NR would be hard to defeat, while Severeid saw it as move by GF to implement power he needs now, w/everyone figuring they'll have to deal w/GF for years to come....ABC/NBC w/film of NR/Happy sailing near Me. coast.

- ABC said GF was "anywhere and everywhere" Wed., and Chancellor said "all over Washington". All nets w/film as GF signed Educ. Bill and dropped in on Hill and presided at Andrews reception for Davies body. CBS said GF dropped in on Hill for "no particular reason," tho all noted GF's inauguration of Penn. Ave. as 2-way street. ABC said GF was greeting old friends, courting old enemies whose critical support he needs. Clark said if all warm handshakes mean anything, Dems/GOPs alike will help GF avoid fate of last man -- LBJ -- who tried to make Penn. Ave. 2-way street.

- After nearly 3 years, Black Caucus met w/GF. All nets w/film. Pierpoint said among 16 members only one (Young) had voted for GF's confirmation as VP, but all were "clearly pleased" at their quick access. Jordan/Rangel on all nets w/positive reaction, Burke similarly on ABC, but Conyers "not so impressed" on CBS, saying he saw/heard "absolutely nothing" to indicate GF will be any different toward black issues than he was as MC....NBC/CBS also w/clips of GF w/Chappie James, "an old friend," said Pierpoint, en route to new assignment.

- UPI lead: "Increase in retail prices (.8%) not as great in July as in previous 2 mo's," all nets noting, w/CBS saying almost everything went up, save some food costs, and "not good news" for consumers....Nets also noted GM modest roll-back -- \$54.00 -- "not very far" (CBS), "really a gesture" (NBC).

- Victory for GF as House cut Mass Transit bill down to \$11B, but in development all nets noted, Ways-Means efforts to reach health bill compromise collapsed.
- Jaworski joined WG defendant attys in US Court of Appeals for trial delay.

* * *

DAVIES/CYPRUS

AP leads: "In solemn and moving ceremonies led by GF, Davies came home from war torn Cyprus where he was slain while working for peace."...On all nets GF said Davies was a "professional in the fullest sense. He lived and worked for peace."...HAK said "a professional foreign service officer has come home. He returns not to joy but to sadness, not to parades but to solemn ceremony." HAK conferred secretary's plaque, highest state dept award possible.

On all nets, GF kissed Davies' daughter and shook son's hand, presenting US Flag. Kalb on CBS said GF/HAK were waiting when jet bearing Davies body arrived, thus paying him "highest tribute possible." Kalb concluded it was "very sad, very moving tribute," and reminder that any crisis in world can touch US....ABC's Koppel said of presenting flag to Davies daughter GF was "more fatherly" than Pres'l, showing that his death would set tone, not for inflaming nat'l passions, but of symbol of US quest for peace.

3 men arrested in Cyprus in connection w/Davies death. 2 released later on. Ceasefire continues. All nets noted.

CBS noted Turks ordered UN troops out of port of Famagusta, but UN ignored the order and patrolled the deserted streets, saying request for clarification had gone unanswered.

Ecevit said Turks are ready to negotiate reasonable changes in demarcation line and he's optimistic negotiations can start again. NBC/CBS noted...He also said there's absolute need for separate areas for Greek and Turk Cypriots.

Karamanlis appears to be unmoved by HAK's attempts to get Greece and Turkey back to negotiating, says UPI. Greece reportedly refused to resume talks til Turks pull back to lines held before last wk's offensive.

"Jubilant over their recent military achievement, Turks feel they're finally achieving their long sought goal of a separate and autonomous Turk admin in an ind't federal Cyprus," leads Monitor's Cohen noting observers believe Turks have won battlefield what they sought at conf. table and Greece will have to accept it.

OTHER FOREIGN

Sun's Parks reports from Moscow that "US is scrapping the conceptual agreement it had worked out w/USSR as basis for new limits on strategic arms, to take a "broader, probably tougher approach when negotiations resume next month." New stance probably will seek to preserve the USA's qualitative advantage. And Parks sees it more akin to Schlesinger view than to HAK....Soviets said keeping HAK offers, in principle, prospect of continuing detente. But they fear HAK's wings may be clipped under GF, says UPI. Russia and its allies are afraid GF-NR team will slow down detente or change its direction, says UPI. They're uncertain and suspect GF's less eager for detente than RN. Sooner Moscow gets clarification on policy under GF, the better, says UPI.

Tho GF has emphasized foreign affairs continuity, Harvard's Bowie in Monitor expects some modifications re: putting detente in better perspective by cutting thru the hyperbole w/ more realism and specificity. Bowie also emphasizes "demands of interdependence must have much higher priority....Greatest failing of RN Admin was its virtual neglect of this task." Bowie feels GF's "method and approach" of openness and concern for economic issues bode well for "organized cooperation w/others."

Egyptian forces fired missile at Israeli warplane in one of severest violations along front.

Khaddam arrived in Washington Wed. for conf. on ME w/HAK and other officials.

Panama is restoring relations w/Cuba....US expressed regret and reaffirmed US will change its policy only thru OAS. UPI noted while US officially maintains hard line, there've been some signs of easing that position.

Senate narrowly defeated (47-44) attempt to cut \$150M from military aid to SVN....All nets noted....It was Goldwater maneuver. He argued US should either live up to its agreement to provide aid or eliminate it completely. ABC noted....DOD budget pared down \$5B from \$87B Admin request. McClellan said of money to go to Saigon, "It's cheap, because of inflation, we're not giving them as much as we did last year." Senate was expected to fight further reductions, but Eagleton introduced bill making an \$81B ceiling requiring a further cut of \$1B. ABC noted.

ABC w/film of water rising in Bangladesh -- worst in history -- hardly a village or house not under water. Food is wheat provided by US, and more requests are in. Cholera is also spreading, w/total of 20M people affected, said reporter.

All nets noted Abrams in "serious" condition w/cleft in right leg.

AMNESTY/VETS

EMK called VFW's rejection "narrow....it was wrong to put him down w/out even chance to hear his proposal." EMK also said GF's performance in other areas since assuming presidency have been excellent and said "He hasn't missed a beat.".... EMK on ABC/CBS told VFW he believes they were wrong in turning down man who carries "enormous task of reconciliation." He asked Vets if they were lenient enough to reconsider position, to which they responded w/resounding "NO!" CBS' reporter Simpson said after meeting, Soden said he was surprised at EMK's remarks, but also sure Vets won't reconsider. Simpson concluded on note that Soden said in case of amnesty, "law must apply equally -- whether on bugging in, or bugging out." "

From Am. Legion conv. in Miami, CBS AM said GF's decision on amnesty has "VFW up in arms" and that most of Legion agrees w/one leader that "they should be brought back in jail where they belong."

AG said it is doubtful deserters/dodgers will be asked to join Armed Forces, Peace Corps or Vista as condition for amnesty. Possibly GF could ask only for request for repatriation as requirement. Alternatives being considered according to AG are, "from asking for repatriation to requiring what was required of conscientious objectors."

"DOD did an about-face from opposing any kind of amnesty to studying ways of carrying out policy of leniency toward deserters and evaders as prescribed by GF," reports Sun's Corddry. "All early indications, however, were the Dept. would resist making unwilling military service one of the requirements for offenders."

High praise from Monitor for GF's amnesty remarks that took "a middle way where feelings of most Amers. probably now lie."....Sun also feels "GF deserves credit for putting the issue...on a new plane of public debate and even greater credit for choosing the forum he did." But paper wonders if more leniency won't be required.

"Eloquent" words, says LAT, also praising the "rising spirit of nat'l reconciliation" held out by GF, in a speech of "deep conviction and courage...GF's every act since becoming Pres. attests to open and generous spirit."

As in choosing NR, WSJ commends GF for putting aside emotion and clarifying the central issue on amnesty. "Surely a magnanimous nation would offer some way for refugees to return after a divisive war. Just as surely, a nation that someday might have to fight another war would insist on some recognition of its right to decide which wars are just....It's only impt that society stays in the driver's seat. It shows good judgment that GF recognizes this, and "a dash of courage" in announcing it before VFW.

Senate passed and returned to House compromise increasing monthly benefits to vets attending school by 23%. Tuition grant plan dropped.

ECONOMY/RELATED

COL up nearly 12% in past yr, w/modest dose of good news in another report which showed real earnings up 0.2%. However, that's still down 5.3% since '73.

W/trim of \$54 from planned auto hikes, GM's '75 models still will be up nearly \$450....CBS called it "small anti-inflation move," w/one result being big boost in sales of '74 models. Report from NYC indicated 1 dealer w/sales double '73. Report noted GM's argument that costs required to compensate for govt-req'd ecology/safety devices, w/dealer (on film) saying he thinks govt has "over reacted" to ecological demands....GF called GM rollback "one of many examples of restraints ^{by govt} and labor" can take in fight against inflation. ABC/CBS noted....UPI noted JtH said GM acted "independently" and "voluntarily." But Rush has been on phone almost daily w/auto ldrs to urge restraint, said AP....Rush said he was "very encouraged." He declined to characterize rollback as either adequate or inadequate.

Burns said if Hill cut budget \$10B, Fed would "of course take that into account" in deciding whether to ease tight money policy. Burns told new Sen. budget panel that cut would be single most imp't. step to curb inflation. Cut would have tremendous psychological effect in convincing country Hill's serious, Burns said. But Heller said there should not be any net budget cut, and said measures should include tax cuts for low-income as well as more spending for unemployment and housing subsidies.

CBS noted Buckley called for imposing spending ceiling to hold budget to \$295B for current FY. Measure would permit GF to cut budgets by 15%, but not allow him to cut where Hill reduced appropriation request by at least 5%. Harry Byrd termed measure "practical and realistic."....Byrd also said to get budget balanced, GF would have to get new OMB head, or change Ash's thinking. Prox. said Buckley's bill "would take govt. out of borrowing market and make more money available for housing, and Curtis said it'd move budget away "from hit-and-miss, meat axe" approach to reduced spending.

McFall/Conable to represent House on steering comm. planning economy summit. Comm to meet Thurs. at WH.

EMK said "GF has isolated key issue -- economy and he'll be held accountable for it."...CBS noted he'll be tough to beat in '76 if he can solve problem.

Heavy, oft-prominent print coverage to GF's Tues. remarks on controls: "GF Reiterates He Won't Seek Pay, Price Curbs/Statement's Aim Is to Assure Labor/Business, Head Off Inflationary Demands" tops p. 3 WSJ story noting it was "another extraordinarily busy day for the new Pres." "GF Vows No Return to Controls" is p. 1 Sun. Also p. 1 in LAT: "Pres. Won't Seek Any Price or Pay Controls/Hopes to Prevent Hikes From Being Made Hastily in Expectation of Curbs" Also p. 1 Post: "GF Won't Seek Controls." "GF Sees No Lid on Pay and Prices" also p. 1 NYT. "GF Lets Air Out of Controls Rumors" inside NY News. Story also inside Inquirer while topping inside Star page: "GF Rules Out Economy Curbs".

"GF's expected to make economy the next arena for a bold, dramatic move underscoring the contrast between his Admin and RN's," reports Cahill in NY News. "Insiders predict a substantially larger govt role than the 'do-nothingism' of RN's final days.

It's "good news" to finally have a Pres. talking of inflation battle as if he means it, says Royster in WSJ. And perhaps Hill will finally listen given public concerns. Still, "the tide of battle doesn't go well." Besides widely varying views of Admin economists, Royster notes NR wasn't a frugal gov. and Dems haven't ever done much cutting. GF himself has a policy, but not a program. Thus the veteran WSJ reporter "detects a faint air of defeatism" re: inflation. Being tested is whether GF and Hill have the "political courage to take the necessary measures" and whether public is determined to win the war.

Ph. 2 Price Comm. chrm. Jackson Grayson in WSJ feature sees little value in the new wage-price agency -- "it'll increase (falsely) expectations that inflation solution's closer. It'll do little to stop inflation. It'll increase some wages/prices and prevent decreases. ..It'll increase odds of future mandatory controls." It's not going to be just a passive monitoring agency, Grayson warns. "Action will be forced because the agency exists." But conceding it's going to exist, Grayson recommends no more powers be given it, that heavy reliance on it be avoided and keep it out of WH, making it quasi-ind't. If it's tied to GF, he can only lose w/the agency only tackling cases it can win or requiring new mandatory authority.

AP leads: "Butz brought to closed meeting of Senate Agric. essentially same message a top aide brought last week: don't panic over current crop conditions." Butz reminded Senators wheat crop is still a record and corn crop is 4th largest tho lowest in 4 yrs.

OTHER DOMESTIC

All nets w/brief film as GF signed \$25.4B education bill imposing new limits on busing and guaranteeing privacy rights to students and parents. Bill includes provision that student cannot be bused beyond next closest school district which also may not be...Anti-busing provision strongest yet passed but many feel it didn't go far enough, AP notes. ...Jarriel on ABC called signing "symbolic" of GF's effort to "walk middle ground." Outside, Jarriel noted, GF mingled w/children (on film) who'll be directly affected by bill. ...NBC's Brokaw said GF signed bill in new "spirit of compromise." On film, GF said while it's not perfect bill, it's good law and will be more effective and provide equitable distribution of funds to improve educ. ...CBS' Jones said GF was "having good time" signing bill, quipping that it's hard to use so many pens w/short name.

AP leads: "Ways-Means efforts to reach compromise on Nat'l Health bill collapsed w/panel hopelessly torn over tax and revenue issues." Mills said issue would be put aside because "there's no majority consensus now" on panel. ...But Mills said "it wasn't a dead issue" and "it's entirely possible" Comm. can do something before Hill adjourns. ...Martha Griffiths reminded Comm. "GF asked for a bill. I'm for giving him a bill."

Percy/Ribicoff confident of getting remaining votes needed to cut-off filibuster on CPA.

Nader, never welcomed at WH during RN/LBJ admins, wants appt. to see GF.

CBS AM's Strauser reported Ron Walker and Park Reservation, Inc. are being investigated by Metzenbaum committee because of what might be "contract favoritism." Both deny any favoritism. Morton also has ordered audit of contract issued thru Walker. Strauser also noted Walker's name before WG Comm. in connection w/rally in N.C.

Ex-dir. advance sales for Seattle Expo says fair may lose \$3M and be forced to close early, but spokesman denied it.

Group of House GOPs chaired by BG, Jr. recommended sweeping guidelines to safeguard personal privacy, including restriction on use of Social Security number as form of universal identification.

Auto crash death of org. crimefighting-Tenn. sheriff Buford Pusser noted by all nets, w/CBS report noting close

friend maintains broken tie-rod appeared cut to him, thus doubts crash accidental. State police believe impact broke tie rod, tho investigation not closed. Pusser's life had been basis of movie "Walking Tall," and he'd just signed \$2M contract for sequel. Also noted were 7 attempts on his life, since becoming Sheriff at age 24.

LA FBI office said "alphabet bomber" was apparently acting alone. NEC/CBS film of suspect's booking, w/CBS reporting man's employer of 2 years said he's "mute," thus doubting he ever made tape. But neighbor claimed she's talked w/him often. The conflicting information "plunged it into mystery," said CBS, and both nets noted LAPD satisfied they've got right man, given voice-print match, and other evidence.

NBC/CBS w/film reports from Amarillo where 2 prisoners held hostages above county courthouse for 36 hours. W/no explanation of how it began, sheriff's deputies began shooting (at men armed only w/knives, said NBC). 1 killed. Hostages were unhurt and released.

CBS w/lengthy report from Harlan, Ky., where "striking" UMW plans demonstration related to union's "memorial". Report- or said contract talks stalemated, w/no prospect for agreement, amidst increasing bitterness, as economy continues to deteriorate. Emphasis on 2 families, 1 paying \$10.00/mo for 4 rooms, other same amount for 3 rooms, and disappearance of their income as strike continues.

ADMINISTRATION

JtH said "there's no precise agreement" on NR in '76, but this shouldn't be taken as indication GF planned to drop him. ...CBS noted JtH said he "definitely" wants to keep word 'probably' in statement. AP says "barring unforeseen developments, GOP nomination is GF's virtually for the asking."

ABC's Bell reported GF had promised BF 2 years ago he'd retire in '76 and reaffirmed that (NBC/CBS note) at VP confirmation hearing. But NR hinted GF had changed his mind, and plan to run in '76 is "already in advanced stages." JtH (on film) said GF's position changed after he became Pres. He said GF feels it's his duty to bind up nation's wounds, following many months travail, agony for many, which may take longer than this term. Bell concluded on note that GF/NR team, tho not definite, has not been put together for short term. ...AP called it "unusual" for such news to be announced

at news briefing.

NBC's Chancellor said it was only 2 days ago GF moved into WH, now probably to run in '76 for full term, and Brokaw reported "in a sense," GF hasn't stopped running since day he took office." ...Mudd on CBS said it appeared to most GOPs that GF/NR in '76 is settled.

UPI leads: "In spirit of friendship and reconciliation, GF met w/Black Caucus to discuss legislation on housing and unemployment." Atmosphere was "jovial."

On CBS, Jordan said "all we can do" is react to "what we know at this point in time," and, w/GF in office less than 2 weeks, he invited us, a step that took more than year w/RN (also on NBC)...On ABC, Jordan said she's encouraged w/open door/sensitive Admin, but added it "remains to be seen" if that openness "can be translated into substance." ...Burke on ABC said "important thing is not that they rec'd any commitment, but that there's now means of negotiation."

Rangel on CBS said they were leaving w/"full confidence" GF will have someone appointed to give them access to him "before any major decision's made" that'd affect quality of life of poor...Young on CBS said "very fact he asked us" for meeting indicates lines open and that they're going to have Pres. "we can work with." ...Nessen noted Chappie James, "VN hero," consulted on black problems in armed forces, while Pierpoint said his advice was sought on such problems for blacks both in/out of military. Nessen concluded that fact GF held meeting early in days of his Admin gave impression he's trying to establish communication w/US blacks.

Hawkins said GF said he was sensitive and aware of large black unemployment, but w/out making a specific commitment, GF said "We should apply the medicine where the problems exist." ...Jordan said GF's response to the public service jobs proposal was "a little short of direct personal commitment." She quoted GF as saying "There are strong advocates w/in Admin," w/out naming himself among them. She said GF was concerned such funds not go to locations where unemployment isn't the greatest. ...Rangel said GF "made it clear" he's considering some kind of public service employment. GF said US needs strong defense posture but DOD budget isn't sacrosanct. (CBS note). GF assured them, said Rangel, "that not only is his door open but each one of us can call him." ...Jordan said, "Character of meeting was more, let's talk to each other and that we did." ...Conyers said "GF has made it clear he's going to be cutting back in domestic areas using inflation as an excuse." ...Agronsky interview w/Stam Scott and Conyers following WH meeting was recorded and is available for viewing via

VTR (4125).

AP leads: "GF paid informal courtesy calls on Senate and House to demonstrate 'the official inauguration of Pa. Avenue as a 2-way street.'" ...Clark on ABC said, Hill has been home to GF for 25 yrs, where he oft led outnumbered minority into battle. Hill drop-in visit was a greeting of old friends and Clark noted speeches to both houses asked for cooperation to help restore faith of people in their govt. Received standing ovation and laugh when he said he was there to inaugurate 2-way St., said Clark. ...CBS' Jones said visit to Hill "totally disrupted" legislative branch. Moving from Senate to House, GF was "making it clear he likes it down at the WH." ...Brokaw on NBC said GF praised Senate for cooperation on CLC, and was intro'd on House Floor as distinguished and beloved former member. He shook hands w/Albert and spoke w/those who once called him "Jerry," but now calling him "Mr. Pres." --a title he likes, said Brokaw and one Rocky thinks GF'll like thru '80. Brokaw concluded that less than year ago, GF was leader of "embattled minority" unable to reach his life's dream -- Speaker of House. Now he's ready for election to full term as Pres.

AP saw GF "Moving to cement his relations w/Hill."

ABC's Smith commented that Presidents seem to depart w/unhappy endings. Always leaving drained, hoping history will make it up. Pres. must learn how to make his bank account work for him by stretching it. GF has learned to use alienating forces, such as attack on GM, amnesty statement, to "stretch" that bank account. He has a certain blandness and right choice of language. GF said when he came in that he wanted to be good Pres. and he certainly has started right.

Amnesty and NR decisions "weren't compromises for sake of compromise but recognition that mvt. was in fact needed," says WSJ edit. The moves "added a sense of mvt. to the new presidency, a feeling that GF's starting to roll." WSJ regards them as not only right, but they "speak well of the man making them."

From Paris, Reston says "GF's made excellent impression there by his candor, his defense of a strong US military and by willingness to appoint experienced men like NR."

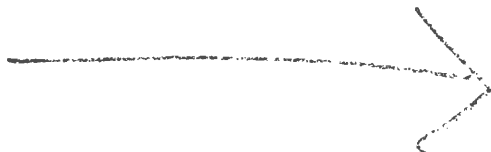
Childs warns against instant stereotyping of a new Pres. After all, besides his simple, straightforward talk, "GF's the only Pres. in this century to earn an advanced degree from an Ivy League school." Childs says GF's greatest hazard in

stereotype area is being boxed in by his Hill record when he needs flexibility, especially re: defense policy on which he's been so "hard-line."

UPI's Helen Thomas, in lengthy Sun. advance, leads: "AH has played historic role in selection of 2 VS VPs. When RN selected GF to be his VP last fall, AH made momentous telephone call. When GF wanted to summon NR to Washington... it was AH who made the call."

"Jeans and Jeeps -- Plus One King-Sized Bed" tops 4th in positive NY News series on the 1st Family noting "togetherness is a family style." Ann Wood's full page account leads w/ Julie's tribute to BF --, "if anybody had to take my mother's place, I'm so grateful it's you," -- which overwhelmed the new 1st Lady as it was "genuine, straight from the heart."

"Cheerful and Candid 1st Lady" is People's favorable cover story on the "frank and refreshing" BF who "grins and shares the toughest job in the world" and "she accepted it w/ a cool show of courage.".... Story is followed by 2 pages of profiles of GF's friends in Grand Rapids.... Mag also w/interview on the WH itself w/ ex-usher JB West, profiles of GF's top advisers: Hartmann, Laird, Goodell, Seidman, Marsh, Byrne, and Mildred Leonard... Also a review of the Nixons -- "the anguish may not be over."



NR/CONFIRMATION

AP says hearings won't begin for several weeks and could last rest of yr. AP says "compared to accounting of NR's holdings, investigating GF's was as simple as counting up contents of piggy bank."...Rangel doesn't think confirmation can be completed by Nov. and Wiggins hopes for completion by Jan....But Mansfield/Albert said every effort will be made to confirm NR before Oct. recess. "I don't want any collateral issues, ie, election, involved," Albert said.... Bruce Morton on CBS AM said there seems no chance for confirmation before elections.

Rodino on Today called NR "greatly respected" adding confirmation should go thru easily, tho he'd not say how he'll vote....Rodino/Cannon said major question re: confirmation is how long it'll take to investigate NR's holdings....Rangel sees "great difficulty in how Comm. is even going to start investigating his financial statement."... Rudd on CBS AM noted NR's net worth being in range of \$200-600M, w/large amount of foreign interests which might be problem.

Wires notes NR only carries good luck silver dollar given him by his grandfather, and at ritual trips to NY State fair while Gov. he always had to borrow quarter from newsman or bodyguard to buy hot dog.

Rodino said "whether it's going to take 8 or 10 weeks, whatever time it's going to take Comm will do it as quickly as possible." But Hutchinson said if NR's confirmation takes longer than GF's, "somebody's going to be guilty of foot dragging."....Tho no Dems would say so openly, Volz of NY News notes some feel a stall would be to restrict NR's campaigning this fall for GOP.

EMK expects NR to be quickly and easily confirmed.

ABC's Zimmerman said "NR may have gained job but lost vacation." Note of influx of USSS and press at home in Seal Harbor. NR saw David R. and the Douglas Dillons had short sail around harbor w/wife. On film NR more reminiscent of Kennedys than GFs. Informality not natural however, seems planned. Possibly wealth may hurt or slow down confirmation hearings. NR said he will put all in trust

if confirmed and if needed, noted ABC.....W/press and photogs crowded around, NBC called it 1st time for Happy to get taste of being "2nd Lady." Rollin noted they've often gone sailing (on film) but never before w/boat of USSS alongside. The long vacation's over w/commuting ahead now.

WED. HEADS OF NOTE ON NR CHOICE

"GF Selects NR as 'Good Partner for Me,' US/Confirmation Seems Certain" leads in LAT...."NR Apparently Acceptable to Hill/GOP Right Wing Also Favors Nominees" leads in Monitor w/ Sperling beginning: "For 2nd day in row, GF moved somewhat to his left-toward the center."

"Typical GOP Reaction: 'It's a Helluva Good Choice...' Many See Move as Bolstering Party in Coming Elections; Reagan Aide and BG Express Conservative Dissent."...."Hill Welcomes NR"...."Libs, Moderates on Hill Welcome Choice."... "Choice Widely Hailed by Hill Leaders."...."Choice Wins Praise in Both Parties/Some Dissenters."...."Rodino and BG Take Stony Stance on Rock."...."Provides GF Strong Link to Libs in GOP/Conservatives May Be Irked."

"Business Cheers Decision by GF/Nod Called 'Sensational' as Source of Balance."...."Selection Puts New Life in Mkt."... "NR Good News to S. Amers."

"GF Sought Consensus."...."GF Wanted NR From Start."... "Relaxed Nominee Fits Mood Sought by GF."...."NR Considered Perfect Complement to GF/GF's Style, Strength Seen Augmented."...."A Good Balance."

"NR Eager to 'Help Run US'/A Durable Pol as 'Standby.' " ... "Pragmatist Above All."... "NR Expected to Be Heavyweight."... "NR, Born to Power, Wanted Presidency From Early Age."

"Turn of GOP's Tide/Nomination Completes Quick Reversal of '76 Outlook."...."Leaders Believe Union Drives Will Be Hurt/Labor Officials See NR Choice Blunting '74 Campaign to Elect Libs."

REACTION/COMMENT ON NR

Knight's Friedman reports NR was "1st and only real GF choice" from the beginning. But he wanted both consensus and assurances there was no derogatory info that could hurt NR. ...Morton Dean of CBS AM said NR took job due to "age" and "no where to go." He'd describe self as "pragmatist" and "began career as lib but moved to right as US moved to center." He's been a "good soldier" and rarely criticized RN, VN, and has said little on WG." He said NR will be "relatively quiet, for NR," and he'll make a "rather docile VP."

Top NR aide said he wants Dr. Wm. Ronan as chief of staff. tho it's not definite.

Scranton feels NR should be given some of GF's duties to free him from the isolation of the Presidency, reports Nelson in LAT. "Why couldn't the VP formulate domestic policy? Why couldn't he take care of regular contacts w/Cabinet except for secys. of state, defense, treasury and AG," said Scranton. "We must have mechanisms for releasing GF from some of the work so he can be open and see the people. How'll he know what man in st. thinks if he's so isolated. He may know what Meany and David Rockefeller are thinking, but he'll have a hard time knowing what average person's thinking."

AP leads: "GOP is fielding strong new GF/NR leadership team at same time old Dem divisions have burst into open." AP notes. GOP confidence is reflected in smiles of GOP lawmakers and officials. Strauss hasn't succeeded completely in maintaining an uneasy peace, as evidenced by Dem. blow-up in K.C. Sun. in which regulars tried to delete reform rules. AP also notes 60% of Dems favor 1 of 2 highly divisive figures: EMK or Wallace.

Brinkley said just as GOP's putting on one of its best shows, Dems were putting on one of their worst. Fight in K.C. last week was same fight they had in Miami in '72. One black who walked out, Calif's Willie Brown, said all this does is send "good vibes" to GOPs. And Brinkley said GOPs "are feeling the good viba and aren't concealing their pleasure. GF/NR ticket will be difficult to beat. Brinkley, noting economy problems, and some fears of recession/depression, said problems of US have "lately become destroyers of Presidents." Not since Ike has one left "in reasonable serenity," said Brinkley. Thus, no one can predict anything. In 2 short weeks, when Dems had pretty good '76 prospects, "it's all been turned around."

Sevareid said GF's "no longer the reluctant dragon" about '76, and for now he's favored horse. Not only was announcement expression of his private intentions, but implementation of "his official need." He'll be more effective, said Eric, if all concerned -- his own party, Dems, Govs, foreign nations -- know they're likely to have to deal w/him for years to come. Tho DC seems "a bit groggy" from "outbreak of sanity" of late, most 2nd guessing now has to do w/political assets NR will bring. It's open question either way, what he'll do to VP office, or what VP will do to him. And it's sign of GF's "self-confidence" that he brought in man w/wider experience and bigger reputation than his own -- last time being when JFK picked LBJ, said Sevareid. But no VP can really outshadow forceful Pres, as all the power is w/Pres. Only damage he could do to GF would be "minor" and "temporary," w/mixed-up signals resulting from his impulsive nature. But he can be of substantial value, not only to GF, but also HAK. NR probably knows "the exotic mysteries" of world monetary system better than either, same for Latin America. "Words and music directed southward have always been important," Sevareid cont'd, and "NR has them down pat." It'll also be "fascinating" to critics on aisle to see what his presence does to "uneasy balance of power" between HAK and Schlesinger. Inevitably the 2 offices encroach on each other, unable to separate foreign policy from DOD policy. Both men differ on Russia and detente, for one. Normally VP would not count, but NR will also sit on NSC, and to picture him sitting silently "insults" the imagination, Sevareid concluded.

UPI says Reagan, once "the fastest rising GOP star of the west" has virtually no chance now of running for Pres or VP, close associates said. One said "It appears there's very little chance, unless something very unexpected happened." Another said "possibilities are very remote."

"An effective campaigner," said Dem Study Group director Conlon of NR. "He can go anywhere in US and be effective." Shogan of LAT says the nod "added to sense of unease that's overtaken Dems since GF replaced RN and dimmed their prospects of landslide this fall." And noting Dem disinterest in rushing NR thru, Shogan again quotes DSG's Conlon: "GOP's asking Dem Hill to approve the club they'll beat us with."

Bush on CBS AM said he thinks "divisions of past will fade" and that NR will do "first class job."

Strauss on CBS AM said "GF made strong nomination" and NR has "good deal of background and experience GF doesn't have." Strauss said Dems' "job is tougher now," w/new Admin.

Harlow polled conservatives and found them "surprisingly" pro-NR, reports Monitor.

BG said he doesn't "know of a soul who'll oppose NR." But BG also accused NR of "ducking out on at least 2 pres'l races" -- '64 and '68.

"4 or 5 yrs ago he was a bad word in South," said Miss GOP chrm. Clarke Reed. "It's not any more." ...Loeb said "he's now a staid old married man."

Cranston opponent H. L. Richardson said appt. was "lousy" and amounted to "throwing an NR wrench" into Calif GOP. "I don't think GF could've picked somebody as far from rank and file GOP."

"We've now fielded our 1st team at home and abroad," said Javits. "It puts forth our very best in govt."

LA Mayor Bradley called NR "a good choice as liaison w/ cities."

"W/one stroke," says new Sun reporter Trewhitt, "GF committed himself to a surprisingly activist presidency, underscored his own self-confidence and created enormous grief for Dems...To assume NR might now subside would be to defy credulity." And GF/NR ticket in '76 is a "formidably attractive one even if Admin's moderately successful" while Dems are "still divided and bickering."

"The one candidate most able to step into WH at any instant" was NR's main qualification, reports Greene in NY News from Hartmann briefing."GF has placed a premium on experience thruout the federal system," says Goldman of LAT. ..."Few have brought to V-P such a diverse talent and broad background," says Sun's Nordlinger.

"Whatever happens in '76, GF can count himself lucky to have NR's expertise on his side," says NY state reporter O'Neill in NY News. "He's a recognized expert in foreign affairs w/deep roots in business community. He's a proven campaigner w/a paradoxical human touch...that can be enlisted to help GOP thruout US..."

NR's idea of a coordinator "is a man who can keep all the balls in the air w/out losing his own," said Henry Wallace to FDR in '42, recalls Donovan of LAT who feels NR has shown such dexterity ever since. "An enlightened man...His energy and usefulness are unbelievable" and Donovan can see him as a candidate in '80.

Trewhitt finds "an element of daring" in the choice, "a mark of GF's self-confidence." Further, says the Sun man, "it's a mark of GF's courage that he's willing to have both NR and HAK looking over his shoulder at the same time." ...In article emphasizing NR's "unique assets," WSJ's Otten also finds GF demonstrating "surprising self-confidence, his freedom from fears expressed by some associates that the supercharged NR might in time come to dominate Admin." And announcement itself "also typified the easy, relaxed operating style GF's followed so far."

Carter of NY News features excerpts from Kalbs' book on HAK detailing the Secy's close ties to NR, his hostility to RN in '68 and his subsequent development of "total respect" for RN. Carter sees HAK as central in both RN's decision to resign and GF's selection of NR.

WSJ edit calls GF's week "off to a good start" w/NR and amnesty -- both "evidence of a deft touch on GF's part." NR was "the obvious choice...Clearly a man of nat'l stature... It's reassuring to US to have a known quantity as VP and doubly reassuring to learn a less known Pres. makes his selection on the grounds the selection bespeaks."

NY News "most fervently and heartily endorses [NR]...A 1st magnitude star in a galaxy of lesser lights." The NR choice was "an act of statesmanship" by GF, says NY News. "It speaks volumes for his personal character as well as his devotion to the nat'l interest." Instead of picking "a gray semi-nonentity, ...he chose the strongest and most vigorous individual in sight." Urging confirmation "w/all possible dispatch," NY News says "GF/NR can provide...firm, positive leadership" needed to end the uncertainty "and the sooner they get the green light to proceed in tandem the better it'll be for all of us."

"Responsible and encouraging," says NYT "A tribute to GF and NR that one was big enough to make the offer and the other big enough to accept. ...NR's a hard worker who knows how to get things done. GF strengthened Admin. and US confidence in his own capacity for disinterested ldrshp, "NYT concluded. ... Similarly, Sun edit says "GF showed the inner self-assurance to pick NR. ...a qualified man at possible expense of a shiny-bright ticket in '76...By opting so dramatically for the GOP 'mainstream,' GF once again showed his instincts for healing and for overcoming the divisiveness that's marred US public life for so long...He's shown a potential for growth and expansion of his outlook that augurs well...Nowhere is this more evident than in nod to NR."

"Excellent...Good news indeed" says LAT. NR's "a moderate w/a zest for meeting big problems head on...He'll raise VP office to stature that recent events have taught US it must have.""A truly pres'l choice," said Post of this "quality" choice reflecting "a nat'l perspective and concern for nat'l interests that transcend a narrow Hill or party outlook... It suggests [more than any of GF's other moves] that he's made remarkably swift and sure transition from Hill leader to Chief Exec. ..He showed himself unafraid to bring to high office and close proximity a man of enormous ind't stature, political accomplishment and ambition," says Post.

"Much to recommend it," says Star, but a pro forma confirmation's still not in order." The most searching inquiry into NR's financial affairs" is needed given WG and US economic problems.

In "admirable" fashion, GF met his standard of choosing a person who'd 1st and foremost be a good Pres, says very favorable Inquirer edit: "The Pres Does Well in Picking NR." ..."More than customary qualifications for VP candidates," says Monitor of NR and it confirms GF's assertions the choice would be primarily based on qualifications for stepping into WH itself. And "it signals respect for the 2nd office which it needs but has often been denied...W/inflation designated domestic enemy #1, there's feeling of reassurance in having a Rockefeller near the top w/all the name's echoes of financial acumen plus enlightened regard for human need."

"Candor and humor of NR, after tensions of last few months, was refreshing" says NY News TV critic Gardella on the news conf and GF press room's "informal atmosphere" where "everything is buddy-buddy."Jones on CBS AM said in press conf, NR had different attitude than GF, calling it "more of a snippy attitude."

LAT feature profile on the "very private Happy Rockefeller" who hoped NR would be named, but she's zealous about her time alone w/their 2 kids and her declining interviews isn't seen as out of character at all by close family friend Mrs. Tom Braden who also sharply rebuts rumors of any Rockefeller marital problems. "Absolutely, totally untrue." ..."Happy: At Home Pouring Tea or in the Country" leads Inquirer over wire profile."Happy Tends to Shun the Spotlight" tops Star profile.

CBS to rebroadcast a special 1-hr. version of "The Rockefellers" Sun nite at 8.

Correction: In Wed. AM summary, Reasoner said both NR and many others believe he could've had '60 not and won - sted of couldn't've.

WGATE-RELATED

JDE said GF hasn't allowed him to review his papers at WH in preparation for cover-up trial. ABC noted.

Sirica completed exam of 64 subpoenaed conversations and order 9 more dating from 2/7/73 to 4/25/73 to be turned over to GJ. RN made no claim of exec. priv. or objection, tho Sirica sustained such claim on 3/21/73 conversation in Oval from 9:15 - 10:12 a.m.

Stahl on CBS AM said RZ's proposed subpoena be given to him and he'll give it to RN. Stahl said JDE's subpoena appears to be 1st of several in RN's future for RN, as Rothblatts suing RN, and should case be dismissed because of faulty serving of summons, attys. say they'll serve summons again this time on private citizen.

Noting Gallup Poll w/55% opposing prosecution of RN, Nat'l Review publisher Bill Rusher in his syndicated column says this "inclination to go easy on him's rooted in sound perception that his own role in cover-up wasn't all that awful anyway and that his forced resignation is entirely adequate punishment." Rusher cautions that "anti - RN zealots will ignore this sentiment at their peril...They should be 1st to understand it doesn't pay, in long run, to defy public's settled good judgement."

RN may sell KB and renegotiate mortgage on San Clemente to ease personal budget problems. Big money may lie ahead if RN chooses to write book. Present feeling among RN aides is to let RN rest and not expect him to make any big decisions soon. Experts in publishing industry say that paying RN advance on book would be highly speculative. Impossible to tell how book would sell in 2 yrs. minimum time allowed for getting it out.

O'Neill accused Bauman of a "cheap, sneaky, sly" move in connection w/filing/printing of Judiciary report. Tip, in "unusual burst of temper," verbally attacked Bauman who demanded and succeeded in getting O'Neill's remarks stricken from Record. O'Neill had noted Bauman got unanimous consent to file his own remarks in Record when most MCs had left the floor.

Rep. Brooks proposed bill that'd limit installation of permanent protective facilities to only 1 private residence for presidents and would require owner to reimburse govt. for any increase in fair market value of property resulting from govt. installations. Horton endorsed bill and said he found no opposition at WH.

Sev'l prominent attys, including Wash State AG Gorton, testified in Krosh's behalf in face of possibility of his disbarment. AG said he'd offered a job to Krogh because he was impressed w/the way he'd differentiated himself from many others involved in WG by admitting serious error in judgment.

LATE NEWS/MISC.

Army now admits its CID recommended sending criminal misconduct evidence by sr. DOD officials to Justice.

UPI's Thomas reports transition team recommend that Chief of Staff post be eliminated.

CBS w/report from Muir Nat'l Monument -- nationalization to be effective this fall, where young school children are caring for 200 yr-old redwood, roots of which seriously threatened from erosion. Children from nearby school regularly hike to area to fill-in soil around exposed roots, as govt can't do anything 'til nationalization effective. Reporter said there's something enthralling" about seeing children scarcely beyond toddler stage laboring at the base of huge redwood they call "Little Brother."

CORRECTION

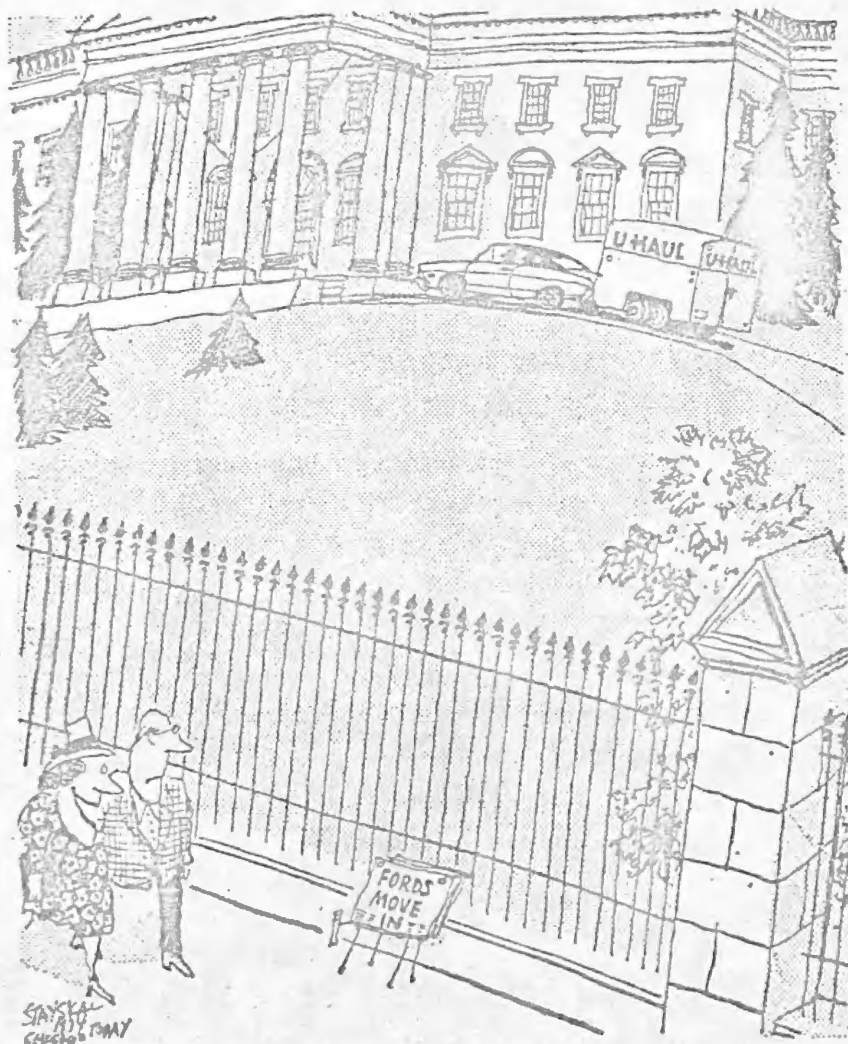
The Weekend News Review was wrongly dated 8/20/74. It should have the Aug. 19 date on it. No Summary is distributed Sunday, thus Sat/Sun. news is compiled in Weekend Review available Mon. am. Thus the 17th (Sat) and the 19th (Mon) are consecutive Summaries.

NOTE TO RECIPIENTS

Because of wide readership by the WH staff, the Post, Star-News and NYT will not be included in the News Summary or the Weekend Review except for some use of headlines and edits on major developments. Similarly, owing to wide readership, Time, Newsweek and US News will not be included in the Summary.

If you wish the complete text of any wires or articles that are excerpted in Summary, please call 2709. If you wish to see the complete report of a story on a network show, call 4125 (VTR) and - they will run the spot for you. And if there's an area or a development of particular interest about which you would wish the relevant clippings, please call 2709.

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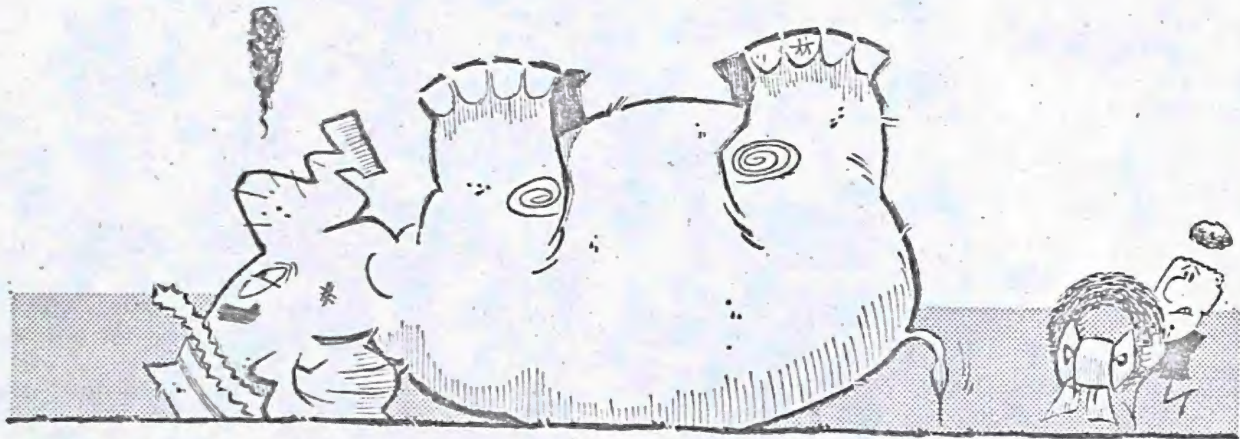
"I like him . . . he seems so down-to-earth!"

Conrad is on vacation.

Quick Recovery!

By JIM PALMER
Dallas News Staff Cartoonist

BEFORE FORD:



AFTER FORD:







The free balloon ride is over.