The original documents are located in Box C20, folder "Presidential Handwriting, 5/5/1975 (2)" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

THE WHITE HOUSE

WASHINGTON

May 5, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: HENRY A. KISSINGER
BRENT SCOWCROFT

FROM: JERRY H. JONES

The attached article was returned in the President's outbox with the following notation:

-- Look at this!

Please get back to this office with your comments on the article.

Thank you.

cc: Don Rumsfeld

Attachment

THE WHITE HOUSE
WASHINGTON

Sec K. & Gen. S

Look at This.

The Mountain Lion: A Reconsideration *Blanche Gelfant*

THE NEW REPUBLIC

A Journal of Politics and the Arts—May 10, 1975, 50 cents

New York Going Broke

Funding Fun City

Robert J. Samuelson

Vietnam Beginnings—*John Osborne*

Getting Out—*Stanley Karnow*

Soap Opera Bubbles—*Marjorie Perloff*

Two Biennials—*Daniel Robbins*

African Socialism—*Milton Viorst*

operations. That has not happened. In 1971, after the embarrassing revelations of army domestic spying were disclosed to Sen. Sam Ervin's constitutional rights subcommittee, the Pentagon did set up a Defense Investigative Service combining in one organization the personnel security investigations for all Defense Department agencies. But behind this unit each service still maintained its own individual counterintelligence and criminal investigative operations. The army's Counterintelligence Corps, which did the civilian information collection that so aroused the nation, still exists.

Each service also has its own overt and covert intelligence collectors. And on top of that, they each operate electronic listening organizations called "security services." These units use sophisticated devices to overhear or automatically record radio transmissions. Though each service maintains its own capability for communications intelligence, there is a managing organization, the National Security Agency (NSA), to coordinate the entire operation. NSA, like DIA, sets out the tasks that the individual services are to undertake to meet Pentagon needs. But the services are also free to undertake some intelligence collecting on their own. For example the army's Security Service in 1963 overheard and recorded walkie-talkie radio transmissions during Martin Luther King's march on Washington. They used them again in 1968 in Chicago during the Democratic convention. In 1969 and 1970 the military services, listening overseas, picked up radio telegrams sent by American radicals and anti-Vietnam war leaders traveling abroad.

Neither NSA nor DIA has ever been subject to extensive congressional inquiry. Neither was established by statute so neither has been barred by law in any way from undertaking, for example, domestic police type activities. Their joint budgets run over four billion dollars. CIA's is about $750 million.

The Rockefeller commission examining the CIA's domestic activities is due to make its report in June. Thanks in part to a tip President Ford gave *New York Times* editors, John Kennedy's assassination has become the subject of the commission's inquiry and public concern. That concern is also reflected in a decision by the Senate Select Committee on Intelligence that it, too, will look into assassinations in addition to CIA activities in Laos, Chile and the US, and FBI wiretapping and counterintelligence.

The House Select Intelligence Committee has had trouble getting underway. With a vague charter and a broad-spectrum political make-up, the committee has had a problem selecting a staff director. Perhaps it would be wise for both the Senate and House intelligence committees now to stand aside on the explosive Kennedy assassination issue and give it to a separate joint committee. Then they could devote more time to probing DIA and NSA, which represent problems that will be with us in the future.

Keeping Options Open

President Ford's recent comments on a possible future oil embargo have a disquieting ring. They have been clumsily formulated, and seem offhanded. Maybe they shouldn't be taken as policy. Yet a careful reading of them does convey the President's frame of mind and intent. The message is: faced with a cutoff of shipments from our principal oil suppliers, the United States will do nothing.

The President's remarks on a possible embargo came near the very end of his state of the world message on April 10 in a catchall section entitled "New Challenges." He spoke a couple of paragraphs on the subject, and ended with a sentence that, in a way, sounded firm. "Our economy," he said, "cannot be left to the mercy of decisions over which we have no control." It is clear he did not mean we would seek to establish such control, over decisions made by unfriendly oil suppliers. All he was saying, uncontroversially, was that the US had better be ready to neutralize the impact of an embargo by practicing conservation and finding new sources of domestic energy.

Yet, the thrust of his comments was that we are receding from rather than approaching this objective. "Every month that passes," Ford said, "brings us closer to the day when we will be dependent on imported energy for 50 percent of our requirements." He then proceeded to make the crucial observation: "A new embargo under these conditions would have a devastating impact on jobs, industrial expansion and inflation at home." One concludes from reading those sentences that the President is prepared to accept the "devastating impact" that an oil embargo will have on American society.

It would perhaps be presumptuous to argue that Sheik Ahmed Zaki Yamani, Saudi Arabia's minister of petroleum, read the speech and took it as an invitation to press the threat of the "oil weapon" a step beyond where it has been before. In the past, the Arab oil producers have said they would make use of an embargo as a strategic arm in a war with Israel. But in a speech before the American Society of Newspaper Editors the week after the President's message, Sheik Yamani suggested very strongly that an embargo might be used as a political weapon in circumstances well short of war. It is true that he said, "The oil weapon is shelved for now," which is the statement *The Washington Post* seized upon for a misleading headline. More important was the follow-up, when he said that "oil as a political weapon will be defused by reaching a peaceful solution based on United Nations Resolution 242." That sounds very much as if the oil suppliers are ready to apply, or threaten to apply, an embargo to dictate the terms of peace.

The same *Washington Post* article also said: "Earlier, Saudi officials put out the word that there were

circumstances short of all-out war in which the oil weapon could be brought into play, for example if Israel refused to give up the Golan Heights or the West Bank. This, the officials said, could amount to a situation 'identical to war.'" Given the games that diplomats and journalists play with each other, it is reasonable to assume that the assertion came from the same Sheik Yamani, who was willing to send a more explicit message on a not-for-attribution basis than he was on the record.

One might have thought that President Ford would have learned something from reading Yamani. But in a live television interview with Walter Cronkite and two other CBS journalists three days after Yamani spoke to the ASNE meeting, Ford reaffirmed, again in murky language, the passive response he intended to an oil embargo. Cronkite asked whether the administration, in the course of its much publicized reassessment of Middle Eastern commitments, had decided on a change of policy toward Israel. Ford answered: "I think we have to, in this very difficult situation, where the possibility of war is certainly a serious one, if you have a war you are *inevitably* going to have an oil embargo—I think we have to be very cautious in our process of reassessment" (emphasis added). Insofar as one can decipher it, that sentence is a public admission that the prospect of an oil embargo is a major determinant in the Middle East reassessment. It is also, consequently, an invitation to the Arabs to apply the threat of embargo more and more aggressively.

In lamenting Ford's supine posture before the menace of the oil producers, one need not infer that the only alternate posture available to the President requires a hand on the saber. In fact one can envisage circumstances when the wisest course in the event of an oil embargo, is to grit our teeth, dip into our reserves and see it through to the end. But as the President himself says, an embargo could have a "devastating impact" on the country, and the government might want to consider a more active reply. Foolish as it is to invite the Arabs to pressure us with the embargo threat, it would be a far worse blunder if they were misled into thinking our national policy is not to respond under any circumstances, and then to fool them by behaving otherwise.

Ford seems not to understand that governments—particularly in highly fluid and tense situations—must keep a variety of options available. The rule is "keep 'em guessing," and Ford has flagrantly violated it. A great power need not choose between being bellicose and obsequious, but need only make clear that it retains the right to act to preserve its vital interests. We ask and receive no more from other great powers. Ford can rectify his bumbling by a simple statement that makes clear that, in the case of an oil embargo, we will do what we must. Otherwise our Arab suppliers might conclude, rightly or not, that their "oil weapon" has almost limitless powers.

Social Experiment In Tanzania

Dar es Salaam

Drought is not a condition conducive to the success of a major experiment in rural socialism. Neither is the impoverishment inflicted by an oil cartel. But imprudently or not, President Julius Nyerere's Tanzania is going ahead with its *ujamaa* program of village collectivization, which may be the most thoroughgoing effort at social revolution since Mao in China.

In moving to establish rural collectives, Tanzania is setting out in what is, for black Africa, a new direction. Though the continent's post-colonial governments have indulged themselves with occasional Marxist slogans, they have been too fearful of tribal loyalties to attempt much social experimentation, and have contented themselves with seeking economic growth within the existing social order. In a word capitalism. Tanzania's neighbors Zambia and Kenya, for example, have perpetuated the free enterprise system left to them by the English, and have grown both increasingly prosperous and corrupt under it. If this is development, Tanzania has been left well behind.

Indeed without Kenya's fertile plains or Zambia's generous mines (but with less intense tribal loyalties), Tanzania is fated to have a more difficult time in economic development (though an easier time in social reorganization) than either of them. President Nyerere says, however, that development is a meaningless concept as measured in growth statistics and the living standards of an urban middle class, while having no impact on the life of ordinary people. Personally austere himself, Nyerere rigorously opposes inequity—while not demanding equality—in the distribution of Tanzania's wealth. Meanwhile until there is some wealth to speak of, he is more deeply committed than any other African to everyone's bearing a share of the poverty.

In pursuit of this end, Nyerere has for a decade or so searched for a kind of socialism that is appropriate to Tanzania. At its simplest, the problem proceeds from the peculiar preference of the Tanzanian peasant to lead an anti-social life. Some explain this preference as the response to the massive slave round-ups of an earlier age; others as an adaptation to slash-and-burn agriculture. Whatever the explanation, Tanzanian peasants have traditionally lived in clusters of one or two families scattered over the countryside. At best theirs was a subsistence economy. Nyerere reasoned that only by concentrating these peasants in villages could the benefits of schools, clean water, medicine and other amenities of modern life be extended to them. Such concentration might also enable them to raise cash crops, to feed an industrial population and, hopefully, to increase overall prosperity. Finally in villages the peasantry might be trained in the sort of