

Wed, Jan. 15 - 75.

Denver

President's Ford first state of the union address--a call to battle today against the twin enemies of recession--and dependence on foreign oil.

**Said** The President: ~~saying~~ "the state of the union is not good." ~~at~~ Then he followed -  
 charting a course that will,--said he,--"put the unemployed back to work,--  
 increase real income and production,--restrain the growth of federal spending,--  
 achieve energy independence,--and, advance the cause of world understanding."  
 This mainly by means of the tax cuts and energy proposals he made earlier  
 in the week; along with some new ones ~~that could~~ <sup>to</sup> raise the national debt  
 to more than five hundred billion over the next two years.

The President concluding by saying: "We have the ability,--we have the know how to achieve these objectives." Adding: "As our two hundredth anniversary approaches, we owe it to ourselves and to ~~our~~ posterity--to rebuild our political and economic strength;" to "make America, once again and for centuries, <sup>to come</sup> what it has so long been--a strong hold and beacon-light of liberty for the world."

REACTION FOLLOW CAPITOL HILL

First reaction to the President's remarks--~~a bit mixed; with~~ Republicans generally "pro"--Democrats "con." ~~But~~ House and Senate concertatives of both parties--quickly attacking the President's economic program; calling it "ruinous"--"a surrender"<sup>to inflation -</sup>--in effect a blue print for federal bankruptcy.  
~~Resurrection~~

The acting chairman of the House ways and means committee, Al Ullman--~~also saying~~ he plans to split the president's package into seperate "parcels;" and consider each one--individually. Ullman adding that "the immediate urgency--is to get a tax relief bill passed at the earliest possible moment."

## PRICES

The U. S. whole<sup>e</sup>sale price index--down sharply last month for the first time in more than a year; a drop of a full half-a-percent--which seems like a lot; except that the wholesale price index--is an extremely volatile figure; and a decline such as this--<sup>is</sup> ~~hard~~ <sup>hard</sup> to figure. If the trend continues though, it could mean that spiraling inflation--has finally been licked.

MOSCOW

Western diplomats in Moscow were said to be shocked today--at Soviet rejection of the newly-passed U. S. trade bill. The Soviet action seen as a scuttling of two years of delicate negotiations--aimed at making trade the corner<sup>stone</sup> of detente. At least one observer saying: "this takes us back to nineteen seventy-two." Adding: "All is not lost--but it looks as if we ~~are~~<sup>are</sup> going <sup>to</sup> have to start again from square one."

HOUSE

Two veteran house committee chairmen have apparently lost their jobs-- in the historic power struggle now under way in Congress. Democratic leaders refusing today to renominate Wayne Hayes of Ohio--as chairman of the House Administration Committee; also, refusing to renominate Wright Patman, of Texas, the Dean of the Senate--as chairman of the House Banking Committee.

The Democrats picking instead Frank Thompson of New Jersey--for Administration; and Henry Reuss of Wisconsin--for banking. ~~But~~ all this subject, of course, to a vote by the <sup>full</sup> ~~four~~ Democratic Caucus--when it meets tomorrow.

SENATE

CIA director William Colby--a witness today before the Senate Appropriations Committee, <sup>and</sup> admitting <sup>ed</sup> that in nineteen sixty-seven the CIA established a counter intelligence office--"to look into the possibility of foreign links to American dissident elements. Adding <sup>that</sup> "in the course of this program--files were established on about ten thousand citizens."

Colby ~~insisted~~ <sup>said</sup>, however--the CIA's actions were perfectly legal. Also indicating they may have helped to thwart a plot--to kill former ~~vize~~ Vice-President Spiro Agnew and kidnap former CIA director Richard Helms.

LOS ANGELES

At Los Angeles--John Dean on Richard Nixon. The former White House Council--saying the former President "has suffered a great deal." Adding he doesn't "think anyone in this country --wants to see Richard Nixon ~~in~~ *incarcerated,* ~~just~~--he's been punished enough."

Dean also saying in the perspective of history--when the full story is known--the former President "may be vindicated in a way." Further noting there were "strokes of greatness"--in many of the things the former President did; especially--in foreign policy.

LONDON

The British Royal Family's severest critic--Labor Member of Parliament Willie Hamilton; who now continues his vendetta in a new book called "My Queen and I." Hamilton observing at one point that Queen Elizabeth and her family--remind him of the chimpanzees at the London Zoo; except that they<sup>a</sup>re less amusing--and more expensive.

In the end though, Hamilton virtually admitting--that his is a lost cause. "The British Monarchy"--he writes--"has not nearly survived while others in the world were toppling--but has also probably grown in esteem and affection."