THE WHITE HOUSE
WASHINGTON

March 26, 1973

MEMORANDUM FOR THE PRESIDENT

FROM: ROY L. ASH
HENRY A. KISSINGER

SUBJECT: Radio Free Europe/Radio Liberty

The Commission chaired by Milton Eisenhower which you appointed last year to study RFE and RL has submitted its final report (Tab C).

Conclusions of the Report

1. U.S. Government support for the radios should be continued.

2. A public "Board for International Broadcasting" should be established to administer funding and provide oversight.

3. Transmitting facilities should be modernized (estimated cost $30 million).

4. European Government funds should be solicited for research but not operations because the latter would dilute U.S. control.

5. Private fund raising in the U.S. and Europe should be resumed.

Congressional Reaction

The House should go along with the Commission's recommendations, but Fulbright has told Eisenhower he will continue to oppose funding the radios. Other Senate criticism of the report will probably center on its failure to recommend that European governments be approached for operating funds.

Next Steps - Scenario

We concur in Dr. Eisenhower's recommendation that the report be published and sent to the Hill.
The White House will at the same time release your statement endorsing the proposition that the radios deserve continuing U.S. Government financial support. The proposed statement does not include an endorsement of the specific recommendations of the report.

Both the letters to the Congress (Tabs A and B) have been coordinated with Dave Gergen. Bill Timmons concurs in the above scenario.

Establishment of the Board

This is the sole aspect of the Commission's recommendation on which we do not have a joint position. Since current congressional authority for support of the radios expires June 30, we need to prepare very soon new legislation that either reflects the commission's recommendations or another alternative.

As proposed by the Commission, the Board would consist of five members appointed by the President with Senate confirmation and two non-voting representatives of the radios. It would defend budget requests before the Congress, allocate funds to the radios, evaluate their performance, and assure that they operate in a fashion "not inconsistent with" U.S. foreign policy.

Pros and Cons

State and USIA support the Commission's arguments that establishment of a Board would (a) minimize the impact on our foreign relations of complaints from foreign countries to whom the radios broadcast; (b) meet the radios' apprehensions that their credibility might be compromised by a direct connection with a U.S. foreign policy agency; and yet (c) provide for appropriate foreign policy guidance.

Henry Kissinger believes that these are strong arguments and recommends that you support the Commission's recommendation.

Roy Ash points out that, during the past two years, first USIA and now State oversight of the radios has produced no significant adverse effects on either of those agencies or the radios' independence. He believes
that the fact of U.S. Government financial support, rather than the particular agency through which funds are administered, is likely to be the decisive criterion when the USSR and Eastern European governments consider whether to retaliate against radio broadcasts; and he points out that the proposed Board will be a U.S. Government agency. Domestically, in Ash's view, the Board might well tend to repeat the consistent pattern of independent agencies and commissions which take on a life of their own, lobby for increased funds, and become program advocates. In such a case, effective management control and any future decision to reduce or terminate U.S. funds would be severely hampered. Finally, he notes that Congress a year ago failed to enact a similar Administration-backed organizational proposal. He recommends continuation of the present arrangement of State Department responsibility for the radios.

RECOMMENDATIONS

1. That you approve the Next Steps as outlined above.
   
   Approve  Disapprove

2. That you decide between the following two organizational alternatives:
   
   Accept the Commission's recommendation and establish the new Board (Kissinger and Timmons recommend.)
   
   Continue current State Department responsibility (Ash recommendation)

3. That you sign the letters to the Vice President and Speaker Albert at Tabs A and B.
   
   Approve  Disapprove