The original documents are located in Box 1, folder "Ford, Gerald - Interview, 3/8/78" of the A. James Reichley Interview Transcripts at the Gerald R. Ford Presidential Library.

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Interview with former President Gerald Ford, March 8, 1978. Ford said that there very definitely had been an underlying philosophy to MXXX his administration's program. This philosophy was embodied in the economic plan that he recommended be put into effect in January of 1975, calling for tax reductions and a fifty percent cut in the rate of growth of federal spending. Througout his administration, Ford said, he had attempted to fight the developing problem of inflation which in the long run x would lead to unemployment. The Tutle. fight against inflation, Ford said, provided the basic theme for his administration. Tied to this was his energy program introduced in 1975 in which he placed emphasis on stimulating production of domestic oil and gas through increased price levels, which also, he said, hopefully would bring some conservation. His domestic program was related to foreign policy, Ford said, through the recognition of the interdependence of the economic world. He had dealt bilateral with West Germany, France and Britain to achieve improvements in the economic situation of the industrial countries, followed by the two western-world summit meetings at Through these meetings, an integration of economic policy was achieved, first with the three countries/he dealt with bilaterally, and then joined to them Italy and Japan and also Canada at the Puerto Rico meeting. Ford said that when he

came into office he had found other members of the western alliance to be viewing the United States with apprehension, with concern of the functioning of the American government. He had set out to reassure the other industrial democracies through his economic galam plan, and through improving relationships with the other democracies, by showing that the United States was prepared to be a good partner in the complex economic situation facing the industrial democracies. / I asked Ford if he had backed away from the detente policy with the Soviet Union and communist China? and the said That he had never fundmentally backed w away from detente, but because of the situation that developed in connection with the presidential primaries and the convention fight that it became necessary for him to deemphasize detenter that he had never backed off efforts to achieve more peaceful with relations with our

communist adversary, but because of the domestic / political situation he had not been able to give as much emphasis to this effort in the final year of his administration. The campaign for reelection had made it necessary for him to make his efforts of detente less visible than had formerly been the case. I asked if Don ₹ Rumsfeld had been cooler toward detente than Henry Kissinger? Ford said, "Abt in any fundmental way." He did not think that Rumsefeld had been cooler, but that particularly after he EXE became secretary of defense his position in the government had, of course, had required that he support an increased level of defense spending, and weapon development of our weapon system. Ford said that Rumsfeld had not really taken and harder line toward the Soviet Union, but that his job rquired him to make certain that military capabilities were sufficient to meet any challenge. He said that Rumsfeld did xx have some feeling that detente was not k paying off as well as it might have been which was slowing the progress Ford said that there was a mistaken impression in some parts of the public that Kissinger was a soft-liner toward the Soviet Union. Ford said that in fact on some occasions Kissinger had taken a harder line, had been tougher toward the Soviet Union than anyone else in the administration. Ford said that really no one in the adminstration had been a soft liner to ward the Soviet Union that Brent Scowcroft was not an aggressive hard liner, but certainly not E what Ford would call a "soft-liner." He said that everyone in the administration concerned with foreign and defense policy had seen that the benefits of the detente must be reciprocal. He said that when he came into office xxxx he had recognized it was decline necessary to reverse the crime in defense spending. He said that he had increased the percentage of federal spending going for defense, and had to increase the real dollars being spent on defense. The increased Soviet effort for im military spending had made it necessary for the United States to increase its defense budget.

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Ford said that the SALT talks had been cut-up in the complications of the presidential election year. He said that the negotiations over SALT had been

he had project an increase over the next five or six years in defense spending.

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affected by the events prior to the convention and also by the post-convention events of the election year. Ford said that when he came into office he had made Chil, a deliberate effort to make better use of cabinet people. Particularly after he got his own cabinet members into place that he had thought to give more authority to cabinet members than had been the case in the former adminstration. At the outset of his administration he had determined to have a strong cabinet. He said that he sought to give cabinet members more authority over the execution as well as the planning of policy. I asked if in the latter part of his administration he had felt the need to draw xxx some authority back into the White House, and it said, No. Fight through the end of his administration he had sought to give greater authority to the cabinet members. He said that & he would have continued this policy if he had been elected to a full term. Ford said that he felt he had a first-class cabinet. He mentioned Carla Hills, Bill Simon, Don Rumsfeld, Henry Kissinger, and Bill Usury as outstanding members of the cabinet. He sad that he could not recall any major problem having arisen because of m cabinet mamma members exceeding their authority. I asked if John Dunlop's handling of the sites -picketing matter had perhaps been an example of a cabinet member exercising too mak much authority. Ford said that he would not criticize Dunlop for anything that he had done in connection with the sitter-picketing matter, that This was a volatile issue, and that he would have to say it was not xxx adequately staffed-out by the White House west wing. He said that ix this had occurred in the early part of his administration, and that this was something in which the White House staff had not done a completely adequate job. He said that the domestic council had fallen down on this particular issue and that he would not criticize Dunlop for anything that he had done, Ford said that the problem was that the Domestic Council ka at that point had not adequately firmed-up the process of staffing out issues. Ford said that the Domestic Council in his administrtion had a different role than it had had in the Nixon White House. In the Nixon White House the Domestic Council had been very powerful. Ford said that he had used the domestic council to staff-out issues and

make recommendations to him. The domestic council was now a policy-organizing body in his administration as it had been under Nixon, Ford said. I mentioned that some people say that the domestic council was not used for long-range planning in the Ford administration. And Ford said he felt that this was a just criticism, after all he only had 30 months in office, and he had not been able to fully reorganize the west-wing setup in howay that he would have liked to have He had not had enough time to direct the administration's attention st long-range problems. Ford said that when he came into office adequately the he had felt that it would be wrong to clean-out the x Nixon appointees on a wholesal€ basis. He felt that everyone should have four or five months to give them a reasonable chance to find other jobs. Ford said that he did not feel that he had made any serious mistakes in his handling of the \*\*xxxx economy, that he thought that his administration's policies had been successful in reducing inflation to 6.7 his policies had been continued to be followed that inflation by now be down to four percent or less. The policies that President Carter has followed have resulted in an increase in inflation, and Ford said that there is no evidence that these policies will be changed. And that this is one of the basic causes of the current drop inthe value of the dollar, which in the long run is going to be to increased unemployment.

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Ford said that when he m had submitted the 1977 budget at the beginning of 1976, that he had/substantive hopes that the cuts in spending that he recommended would be achieved. On the other hand, he said that he had realistic doubts that Congress would be prepared to bite the bullet, at least not in all the cases that he recommended. Ford said that he felt nevertheless that it was his responsibility to lay it on the line point to areas inwhich he felt that spending could be cut. Ford said that he had not considered in any major way increasing spending in 1976. For one thing, he was not sure that any great spending phase would result in may significant reduction of unemployment.

Beyond that, he had a concern that any wild increase in spending even if it did

win the election would have the consequent of regenerating inflation which would not have a very happy outcome for the country standpoint. Ford said that it was his conviction that a balanced, responsible economic policy would lead to success in MEXE the election as well de said that it had almost worked. Ford said that he had always regarded inflation as the nation's number one issue, and the polls showed that the public also regarded inflation as the number one problem of the work country. He said he recognized that the public in 1976, a majorit had felt that the Democrats were better able to deal with inflation than the Republicans and the said that this was obvious not true, and the results since Carter has come into office have proven that it was not true. Ford said that he was somewhat surprised by the pause in economic recovery that occurred in the early fall of 1976. He said that it could not have come at a more inauspicious That it was hard to explain why the pause had come at that time. He said one wax cause may have been the surprising slowdown in Defense Department, b, the failure of the Defense Department to obligate funds that were committed to expenditure. Ford said that he felt it would have been politically as well as economically unwise for him to have gone on any big spending spree beyond the budget in 1976. He said that Vice-President Rockefeller to some Rox. extent urged increases in spending, although in most areas he was not for any sizeable increase over what the budget called for. R Ford recalled one area the energy independence authority as place in which Rockefeller wanted a large spending effort, but the effect of this spending would have not been immediate. It would not have had a tremendous impact on kexx the budget. Ford recalled that he had approved Rockefeller's recommendation to the energy independence authority and had recommended it to Congress. He said that some of the people in the White House did not is pport for the energy independence authority. As far as he knew they had not publicly tried to undercut it. He said they had been good soldiers, At least they had not undercut it in any serious way.

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Ford said that he had not recommended a constitutional amendment to deal with The Problem thar dealing RSISTATIVELY) with the busing problem because he thought the administration's

proposeds was a sound approachy to go about it in a legislative way. He said that he could not red recall that Senator Tower had favored a constitutional amendment, he had thought that this was probably so. He said that he had called on the Department of Justice to come up with recommendations for legislation to deal with busing, and also with to pick a case in which the administration could intervene and Take THE this case to the Supreme Court. He said that it was his aim to give the court an opportunity to determine what could be done through the courts. He had given the attorney-general authority, Ford recalled, to pick the case that would Ford said, make this test possible. The basic approach of the administration was to that if busing were necessary a not to take an entire school system. That if there were a problem of discrimination that this should be dealt with on a school by school not through basis not a basis dealing with an entire system. This, Ford said, he was a sound policy, and one which he would have pursued had he been elected to a full term. He said he had not given serious consideration to seeking a constitutional /real) amendment because he did not think there was any passibility that such an and amendment would get two-third votes in the Senate or the House. Therefore for him to recommend taxx a constitutional amendment would have been merely a gesture rather than a substitute proposal. He felt that the country had had enough of gestures. He felt that his solution was a more practical solution.

Ford conceded that the administration may have been slow gearing up to deal He said that they had always taken the Reagen threat Reagen seriously, certainly they had taken it seriously after the defeat in North Carolina. They had recognized that they they were going to have a serious problem at the convention, and the only question was how was the most effective way to deal with it? He said they had gone about dealing with the Reagon problem in what had seemed TO at the time the most effective way. Ford said that he had to admit that he had felt it to be curious that his conservative credentials could be challenged within the

Republican Party. He said he thought that Reagen/was more conservative than a he was and certainly Reagen's supporters were much more conservative than he. When Reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen a see a reagen's call for a mine billion cut in the federal budget, Ford said, had been Rockefeller a reagen's call that the ticket might have helped him in the action of the ticket might have helped him in the gradient was speculative, but there were some areas in which Rockefeller might have helped in this was speculative, but there were some areas in which Rockefeller might have helped him which Rockefeller a reason which Rockefeller a reason which Rockefeller might have helped him him which Rockefeller a reason which Rockefeller a reason which Rockefeller a reason which Rockefeller have helped him him him have helped him him him have he

