

The original documents are located in Box 28, folder “Question and Answer Briefing Sheets - General (2)” of the John Marsh Files at the Gerald R. Ford Presidential Library.

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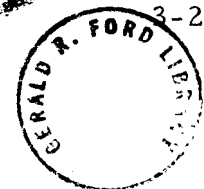
Question:

Do you see the Congress acting in such a way as to frustrate and obstruct your requests, particularly in light of the influence of the Caucus and the role of the freshmen Democrats?

Answer:

My hope is that Congress will act responsibly. I do not think their constituents sent them to Congress to either frustrate or obstruct the President nor to engage in confrontations with the Executive Branch. In our country, it takes two to govern. Only the Congress can legislate, and only the Executive Branch can execute the programs and policies of the government. In the critical times in which we live, there is nothing to be gained by stalemate, but much to be lost through no action. I am willing to meet the Congress more than half-way, and it is my hope they will do their part. I am convinced the new members of Congress are responsible and intelligent individuals who want to do the best thing for the country.

JOM
3-24-75



Question:

There has been considerable comment about President Nixon's future in public life. What do you see the former President's role to be?

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My first hope is complete and speedy return to a state of good health for the former President. I believe the former President's future role will be determined in large measure by his health, and until he is fully recovered, it is too early to speculate on what that role might be.



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On February 9 the transition officially ended. What, if any, relationship will you continue to have with former President Nixon, in an official sense?

Answer:

There are two statutes in question here. As you observed, the Transition Act terminated on February 9, six months after my swearing-in. However, President Nixon, as of that date, came under the Former Presidents Act, which by law provides him with certain continuing benefits which include pension, a staff allowance, office space and limited operational costs. This is the same statute that has been available to other former Presidents in recent years.

The number of people who are working with him were substantially reduced from the transition period. It should be kept in mind, however, that under separate statutes, he receives Secret Service protection, and there is some support furnished from time to time pursuant to Secret Service requirements.



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What do you think will happen to the Defense program now that Hebert has lost his Chairmanship of the Armed Services Committee?

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The question of the Defense program in the Congress is one of concern notwithstanding who the Chairman is. As you are aware, Mr. Hebert has long been a strong advocate and great supporter of the Defense program; however, I have known and served with his successor, Mel Price, for many years. He too is deeply committed to a strong National defense, and I believe that he will do everything he can to promote that cause in his Committee and on the Floor.



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April 16, 1975

Q & A's

Questions Most Likely To Be Asked

1. Farm Bill

Do you plan to veto the Farm Bill approved by the Senate and House Conferees?

2. Railroad Strike

Do you plan to intervene to block the Railroad strike?

3. Sec. Kissinger

There have been a number of stories lately regarding Henry Kissinger's position in the Administration. Some stories said that other Presidential advisors were resisting his influence on your foreign policy speech, and other stories said he was about to be relieved of his job on the National Security Council. One newspaper today calls for his resignation. Exactly what is Secretary Kissinger's status?

One of the charges against Secretary Kissinger is that he and Former President Nixon gave secret commitments to the South Vietnamese to come to their aid militarily if North Vietnam violated the Paris Accords. Were such secret commitments given?

4. Vietnam funds requests

What is your reaction to the Senate Foreign Relations Committee compromise bill on your Vietnam requests?

Would you accept this bill as the final American effort for South Vietnam/

In addition to this so-called "contingency fund" do you still expect Congress to approve military aid?

Have you given orders to Ambassador Graham Martin to evacuate the Americans faster?

What happens if Congress approves the use of American military forces only for the evacuation of Americans? Does this mean you would leave behind the thousands of Vietnamese who have staked their lives on America? Under what authority did you use American military forces to evacuate Cambodians from Phnom Penh?



5. Detente - Southeast Asia

If detente has any meaning at all, why are you not using the supposedly closer relations with the Soviet Union and China to help bring an end to the fighting in Vietnam? (Scotty Reston wrote a column along these lines this morning, and as a panel member he may ask you this question today.)

6. Taiwan

Why didn't you mention Taiwan in your Foreign Policy speech to Congress? Why was Vice President Rockefeller so tepid in his support of Taiwan during his trip to the Chiang funeral? What exactly is the status of American treaties and obligations to Taiwan?

7. Spending Ceilings

Will you accept the Congressional Budget Committee spending ceilings which are 10-12 billion dollars higher than the \$60 billion deficit that you said was the firm line?

8. Energy Bill and Energy

The 60 days you gave Congress to approve an energy bill expires in just two weeks. Do you plan to impose another dollar on the Oil Import tariff May 1?

Do you plan to decontrol the price of oil on May 1?

The Producer-Consumer oil talks in Paris seem to have collapsed. Where do we go next in trying to present a united front to the producers?

9. CIA - Kennedy Assassination

Can you elaborate on your remarks in San Diego that the Rockefeller Commission or the Church Committee investigating the CIA would look into the John Kennedy assassination? Would that mean that you think the CIA was involved in the assassination?



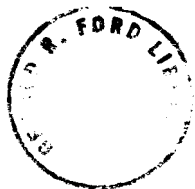
THE WHITE HOUSE

WASHINGTON

May 7, 1975

Attached you will find the additional
Q & A's added to the original President's
Briefing Book of May 6, 1975.

James B. Shuman/kt



IMPACT OF STRIP MINING BILL
ON COSTS OF ELECTRICITY

Question:

The opponents of the strip mining bill are contending that it will increase the cost of electricity. The supporters of the bill contend this is not true. Can you tell us which side is right, how much cost would be increased, and whether this is a factor you are considering in your decision of whether you will veto or sign the bill?

Answer:

There is no question but that the strip mining bill would increase consumer costs, particularly for electricity.

The higher costs will impact electrical rates because most coal is used in producing electricity. The higher costs will come from two principal sources:

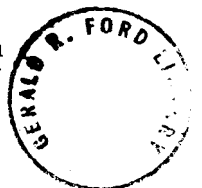
- . The bill will reduce domestic coal production and this lost production will be replaced by foreign oil which is much more expensive than coal.
- . The bill will impose other costs that will show up in either higher prices or taxes. These include:
 - a. A new excise tax on coal which is expected to cost about \$150 million per year.
 - b. Higher coal production and reclamation costs in the neighborhood of \$175 million per year.
 - c. Costs of running the Federal and state regulatory programs of \$90 million per year.
 - d. Unemployment compensation for those who are put out of work by the bill.

Follow-up Question:

What will be the impact on an average home-owner's electric bill?

Answer:

I can't convert these higher costs to an increase in an electric bill. The impact will vary from one electrical system to another depending upon how much the system now relies on coal. Also, the impact would depend heavily on whether the production losses -- and resulting imports of expensive foreign oil -- can be minimized.



M. Duval (G.R.S.)
5/6/75

FOREIGN AID

Q. What has happened to the Administration's previous emergency requests for economic, military and humanitarian aid for Indochina in FY 1975.

A. The Administration transmitted today new legislation to provide aid to refugees from Cambodia and Vietnam. That legislative package also contained proposed reductions of those previous FY 1975 emergency requests, totaling \$989.3 million, to reflect the changes in Indochina which have taken place since those requests were submitted to the Congress.

5/6/75



Q. In San Diego you said the war in Vietnam would not be in vain if we provided assistance to South Vietnam for it to defend itself. Since that did not happen and South Vietnam has fallen, do you now think the war was in vain?

A. We went into Vietnam initially and stayed there because of *our* ~~our~~ *deep rooted* ~~our~~ *commitment* ~~to~~ the preservation of individual freedom. Those who fought in Vietnam and those Americans who supported that struggle believe deeply, ~~that~~ as I think all Americans do, in that struggle for individual liberty. ~~While this experience has ended for the American people there will be other tests in our future.~~ I am confident that the American people and its designated leaders, while mindful of our mistakes in the pursuit of freedom, will continue to offer support and assistance *which believe in liberty & freedom* to other countries, consistent with our national desires and Congressional constraints and support those countries who are fighting for liberty and freedom. Our American ideals will let us do no less.



THE FUTURE OF AMERICAN FOREIGN POLICY
AFTER VIETNAM

Q: Now that our involvement in Vietnam is finished, where do we go from here? Will we revise our world-wide policies or will we keep them? Will we avoid other entanglements and reassess the other commitments we have elsewhere in the world?

A: There is no question but that American policy has suffered a setback in Vietnam. It is important that we examine carefully the conditions emerging in Indochina in the wake of that setback and reaffirm to our allies in Asia the firm resolve of the United States to carry on with current policies and actions designed to resolve the important problem of common concern before us. No reassessment is required. Events in Indochina do not alter the validity of U. S. policies elsewhere in Asia and surely not in the rest of the world.

We have a sound foreign policy structure and we must constantly keep that in mind at this difficult time.

We must play a major role in world affairs; therefore, we must resolve not to shrink from the duties of leadership on complex issues of our interdependent world. We must respond to adversity with dignity and demonstrate to all that we can and will continue our role as a major force for peace throughout the world.



There is much to be done: We have allies who have relied upon our cooperation and support for more than a generation. From a position of strength we have engaged adversaries in negotiations to lessen tensions and seek common grounds of cooperation in the interest of reducing the dangers of war. We must meet the challenges of hunger and lead the way for applying technology to the benefit of mankind while preserving the world environment. We must help to assure that the oceans are used as a basis of peaceful cooperation rather than conflict. A new order is emerging in which all nations must have a part and in which, as long as I am President, Americans will have a leading role.



Q: Mr. President, you asked Congress to postpone action on a consumer agency and told the Chamber of Commerce that a consumer agency would create an expensive and unnecessary new layer of Federal bureaucracy. Yet the Senate is scheduled to take up the consumer agency bill tomorrow. Does this mean you will veto a consumer agency bill if, as expected, Congress passes one?

A: There is legitimate public concern about the need to increase consumer representation in agency decisions, but I think this can be done within the structure of the agencies. I have asked Virginia Knauer, my Special Assistant for Consumer Affairs, to work with each of the Executive Branch departments and agencies on ways to make them more responsive to consumers. I have also asked each Cabinet Secretary to review their Department's responsiveness to consumer needs and to report back to me on how they intend to improve their operations in the near future. I am also calling a meeting of the chairmen and members of the principal regulatory agencies to discuss consumer interests with them. I believe that by instituting reforms within the present system we can avoid another layer of bureaucracy. This is why I requested the Congress to postpone action that would set up a new consumer agency.

[However, if and when an Agency for Consumer Advocacy bill comes to my desk, I will review the situation at that time as well as the exact character and contents of the bill.]



Q: As a Congressman, you voted for a consumer agency a number of times and your consumer advisor has been a strong supporter of the concept. What has made you change your mind?

A: As you know, I have stated my belief that this goal can be accomplished by making existing agencies more responsive to consumer needs. Also, I said in my State of the Union Message that I would not ask for new spending programs and a new agency involves a lot of new spending at a time when we are trying to hold down Federal spending. And lastly, Mrs. Knauer strongly supports the need to make existing government agencies more responsive to consumer needs and she will head this effort in the Executive Branch.



Q Governor Carey, Mayor Beame and other officials and bankers from New York City were here today. We understand that New York City may not be able to meet its next payroll. Is the Federal Government going to be able to help?

A I understand that Secretary Simon, Arthur Burns and other officials met today at the request of Governor Carey to discuss New York's problem.

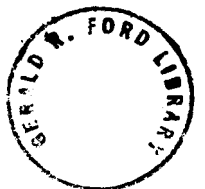
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POSITION ON NAVAL PETROLEUM RESERVE BILLS

Question

The House Armed Services Committee has attacked the Melcher bill (H.R. 49) for risking another Teapot Dome scandal because it would transfer the Naval Petroleum Reserves to the Interior Department. It has been reported that you earlier favored the Melcher bill but that you now support the Hebert bill (H.R. 5919). Did you switch your support because of the attack on the Melcher bill?

Answer

In view of the difficulties and delays expected in the Congress with the Melcher bill, I have agreed to support the Hebert bill if it authorizes up to 300,000 bbls per day production from Elk Hills, if it provides for production of NPR-4 in Alaska, and if it allows revenues from Government sales of NPR oil to be used for a strategic storage program as well as for further work on the NPR's.

Speed is of paramount importance. The national interest requires rapid opening of the Naval Petroleum Reserves to get this domestic oil flowing into our economy and into a strategic storage program to lessen our dependence upon foreign oil. Support for a perfected Hebert bill seems to me to be the fastest way to achieve the necessary congressional action.

Roy Niemela/OMB/5-5-75



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Bicentennial

Question

What is happening with the Federal funding Philadelphia feels it has been promised in support of Bicentennial activities?

Answer

Appropriate people have been going over the Philadelphia funding requests and Dr. Marrs will be meeting with Pennsylvania representatives within the next two weeks.

Background

At the last meeting of the Federal Agency Bicentennial Task Force you discussed the specific problems of funding applications for the District of Columbia and Philadelphia. You mentioned that they would be focal points of our celebration and asked the Task Force to give help to appropriate programs which followed the proper guidelines as quickly as possible. You stressed that funds will come from existing categorical programs.

Under the direction of Dave Meeker, Assistant Secretary of HUD, we have compiled a summary of Federal Agency support of Philadelphia Bicentennial funding requests. This summary is being surveyed by OMB and their recommendation is forthcoming.

After receiving OMB's recommendations, Dr. Marrs will meet with Senator Scott and representatives of Mayor Rizzo's office to review the results.



Bicentennial

Question

What is the Federal government doing to help the District of Columbia get through the Bicentennial year and the problems it will face when millions of tourists descend upon us?

Answer

A subcommittee to the Federal Agency Bicentennial Task Force was recently appointed to coordinate the efforts of various Federal departments and agencies, the District of Columbia government and neighboring county governments relative to area Bicentennial activities. It is also charged with keeping abreast of the status of implementation of D.C. Bicentennial planning in the departments and agencies.

This subcommittee met with Mayor Washington and his representatives at the White House last week. They will continue to meet and work together on a regular basis to solve whatever problems may exist.

Background

The Federal Agency Bicentennial Task Force was formed in 1973 and is chaired by Jack Marsh. The Task Force is composed of representatives at the Assistant Secretary or Under Secretary level from each department and agency and is a policy making body.

In addition to the coordinating subcommittee (which is chaired by Deputy Assistant Secretary Dick Hite of Interior) there are two other important subcommittees under the Task Force. The Subcommittee on Philadelphia and the District of Columbia which facilitates categorical grant requests to the two cities. The Operations and Logistics Subcommittee provides the parameter of Federal support for operations and logistics during the Bicentennial.

The coordinating subcommittee is composed of representatives from the following departments and agencies: Interior, ARBA, OMB, GSA, Smithsonian, Transportation, Defense and Commerce. In addition to representatives of the D.C. government the Council of Governments is also included. Topics discussed at the first meeting included the logistics of the transportation plan for D.C., status of the visitor's center, the Great Hall of Commerce and coordination of information.



5-5-75

GAO Report Concerning the Government's Enforcement
of the Federal Contract Compliance Program

Q. What is the Administration's reaction to the recently released GAO report to the Joint Economic Committee of the House of Representatives concerning the Government's enforcement of the Federal Contract Compliance program?

A. I have not as yet had an opportunity to review the finding of the GAO report. However, increasing the effectiveness of the Department of Labor's administration of the Federal Contract Compliance program is a matter which Secretary Dunlop will be giving high priority on behalf of the Administration. This will include a careful review of the findings of the GAO report.



OMB
C. William Fischer
5/5/75

5/6/75

Fiscal 1975 Budget Revisions

- Q. The Department of the Treasury recently announced revisions in the budget projections that will reduce the FY 1975 deficit by \$5 billion. How do you account for the revisions and what are the implications for economic policy?
- A. Estimates of Federal receipts and expenditures are subject to some error. Tax collections in the past couple of months have exceeded earlier expectations. Final settlements by individuals on their 1974 taxes were several billion dollars larger than anticipated and some other Federal receipts were also larger. An increase in expenditures partly offset the larger tax revenues.

The revised estimates suggest a deficit of \$36 for the present fiscal year compared with a \$41 billion estimate a month ago (March 31). This is still a large and worrisome deficit and the deficit for fiscal 1976 will be much larger.

The revised estimates have not changed our view that the fundamental need is to restrain Federal outlays and to contain the deficit for fiscal 1976.

Note: Federal revenues for fiscal 1975 are now estimated to be \$7 billion higher and expenditures \$2 billion higher than on March 31.



THE WHITE HOUSE

WASHINGTON

December 29, 1975

MEMORANDUM FOR: DAVE GERGEN

FROM: JACK MARSH 

Following are my comments and suggestions concerning the Q&As:

General Themes

- On page 4, do you want to make some mention of the Mayaguez?
- At page 5, should there be some reference to the severe unrest that has gripped Portugal and Lebanon?
- At page 6, in reference to his Presidency, I would suggest rephrasing this to read: "He was the first President to ascend to that office through the 25th Amendment to the Constitution," rather than referring to him as an "unelected President." Although I am sure the historical reference is correct, nevertheless you might wish to check the 100th year citation.
- Also at page 6, the second paragraph, I question whether the President should say that trust in the Presidency is rising. The manner in which it is stated here seems somewhat self-serving.

Greatest Disappointments of 1975

- Omit emergency aid to South Vietnam.
- Add the growing tendency of the Congress to use the Defense Bill as a target for reducing Federal spending.



Stalemate in Washington

- I would suggest avoiding the term "unelected President."
- Under the same subject, on New York City aid, change the language "standing tough" to read "standing firm."

Use of Veto Power

- I would suggest that the initial emphasis address the question of a veto under the Federal system. It is an Executive tool to frame and shape legislation. By its exercise, the Executive Branch can influence the form and substance of legislation as it moves through the Congress and if unacceptable, its exercise can frequently produce a compromise more acceptable to the Executive. This has been true in several instances in the present Administration, i. e., the Housing Bill and the recent Tax Bill. The reference to New York City is a very good one, but I would shorten it and subordinate it to the above point.

President as Party Leader

- Strike the first paragraph of the answer inasmuch as the answer indicates the trips were counter productive politically.

Secondly, point out that the cost of these trips was paid by the National Committee. Downgrade the amount of money that is raised and get the two party system up front.

- Add a paragraph that the President is head of the Party and has a duty and obligation to the Party to make trips of this kind.
- Add a paragraph which states that learning to live in a modern world is a challenge to the people and will be a guidepost to other societies as they move into the modern world.

What's Right With America

- Add a paragraph. In summary we have a sound governmental structure that has stood the test of time and is the underpinning of our greatness in every field of endeavor.



Goals for the Third Century

- Add achievement both individual and national, enlightened leadership and a more meaningful life for Americans and other citizens of the world.

New Year's Resolution

- To make our Bicentennial year a landmark year in our Nation's history.
- [REDACTED]
- To provide the leadership for national achievement.
- To get the country moving to achieve the goals and ideas of its Declaration.
- To set the Federal financial house in order.
- To meet and successfully deal with the twin problems of inflation and unemployment.
- To cause our people to reflect on the meaning and purpose of their lives and how collectively we might achieve our national goals.
- To further our progress in environmental improvement.
- To improve opportunities for minority groups.
- To improve the quality of life for our aged.



GENERAL THEMES

Q: Do you think 1975 was a good year for the United States?

A: It was another year of testing for the country, and I think we can take pride in how well we have come through it. Personally, I'm very encouraged as we enter our third century as a nation. I'm certainly not satisfied with conditions as they are today, but all of us have growing reason to be hopeful and confident about the future.

We should recognize just how far we've come in 1975 in three critical areas: the economy, foreign affairs, and restoration of public confidence in the government.

Economy: Early in the year, the economic outlook was bleak:

-- We were still experiencing the worst inflation in our peactime history;

-- At the same time, we were sliding into the worst recession in more than a generation;

-- Unemployment reached 9.2 percent in the spring.

-- There were widespread fears of another great depression.



Then before mid-year, the economy reversed course. By recent historical standards, the recovery is off to a healthy, solid start and promises to continue until at least 1977. We have already made a good deal of progress:

-- Inflation has been cut almost in half since the beginning of the year.

-- 1.4 million jobs have been created since _____, and we have shaved almost a full point off the peak unemployment rate.

-- Personal income has risen _____ percent on an annualized basis since the recovery began.

Instead of fearing a depression now, we can look forward to 1976 as a year of economic growth, a year of lower inflation, and a year of lower unemployment. This doesn't mean that we will eliminate all personal hardships in 1976; we won't. The deterioration in our economy has taken place over so many years of mismanagement that we can't restore our economic strength overnight. But we are moving in the right direction now; we are building a firm foundation for the future. And that's what counts.

* * * * *



International: On the foreign front, this was also a year of severe testing for the United States. Both our friends and our adversaries were asking: Has the United States lost its nerve? Can we still count on the U.S. as a world leader in the struggle for peace and social justice?

-- As an end of an era came in Indochina, there were grave and genuine fears that America would abandon its responsibilities for peace in the Pacific.

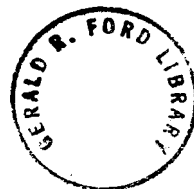
-- Our European and Japanese friends were anxious about their relations with us.

-- The nations of the Middle East seemed to be drifting toward another outbreak of war.

-- The developing nations were reeling from the economic impact of higher energy prices and a deepening world recession.

-- And we could not be certain of the Soviets' intentions.

Again, as one surveys the horizon today, I think there is evidence of substantial progress:



-- While none of us would want to relive the final agony of Indochina, all of the nations of the Pacific know that the United States remains a firm and reliable partner in that part of the world. We are not shamelessly retreating from our responsibilities.

-- We have held extensive diplomatic and economic summit meetings with our Atlantic and Japanese allies, and we now enjoy greater cohesion on major issues than at any time since I've been in Washington.

-- In the Middle East during August and September, the mediating efforts of the U.S. helped to produce a major interim peace accord between Egypt and Israel, advancing us toward a just and comprehensive peace for the entire region.

-- In Cyprus, with our encouragement after the embargo was lifted, the parties began to move closer to a negotiated solution.

-- We have set forth very generous proposals regarding the developing world and have definitely improved our relations with many of those countries.

-- We have also strengthened and reaffirmed our ties with the People's Republic of China and are moving toward the normalization of relations.



-- With regard to the Soviet Union, we have made considerable headway toward resolving the key issues in the Salt Talks, we have signed a major 5-year agreement on grain purchases in which the Soviets agree to purchase \$1 billion of grain annually, and in Helsinki this July, at the 35-nation summit conference, we signed an agreement that we feel enhances the prospects for both greater stability and for expanded human freedoms. These are important milestones in the process of easing the strains between the U.S. and the USSR. At the same time, of course, we are extremely wary of the Soviets' growing military strength and we have made it clear that outside aid to the combatants in Angola endangers the spirit of cooperation that exists between our countries. Detente is a two-way street; we will not permit the other side to have it both ways.

With the exception of Angola, however, I believe that the international community is more stable today than it was a year ago. The major nations of the world are at peace, and there is renewed recognition that the United States remains the single greatest force for peace anywhere in the world.

Crisis in National Leadership: Finally, we have to recognize that at the beginning of 1975 the United States was still adjusting to a change in this office. The crisis



in leadership that had already affected so many of our other institutions -- business, the church, the professions, etc. -- now embraced the Presidency itself. I was the first unelected President in our history; in addition, I was only the second President in more than a hundred years who came into office with the Congress dominated by the other party. Naturally, there was great uncertainty about the future of the country.

Looking back, I think it is safe to say that we have now weathered the worst of the storm. Public confidence and trust in the Presidency, which has been slipping for several years, is clearly rising again. Since restoration of public faith in all of our institutions as well as in the democratic process itself is essential for the future of our country, I view this as one of the major accomplishments of my Presidency.

So in these three areas -- in our search for new prosperity, in our quest for peace, and in our efforts to shore up public confidence -- 1975 has been an encouraging year. We are building solid foundations for our third century together as a nation, and all of us should take pride in our progress.



GREATEST DISAPPOINTMENTS OF 1975

Q: What has been your greatest disappointment this year?

A. Probably my greatest disappointment has been the insistence by the Congress in limiting the powers of the Executive Branch in foreign affairs. The President of the United States cannot conduct a totally effective foreign policy with one hand tied behind his back.

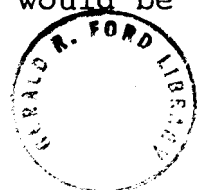
Having served for a quarter of a century in the Congress, I am well aware of the dangers of an "imperial Presidency", but the pendulum swung too far in the other direction in 1975.

Three instances in particular come to mind:

(1) The refusal of the Congress to provide emergency aid to South Vietnam in the closing days of the war, which only enlarged the tragedy that occurred there.

(2) The embargo on aid to Turkey, which -- as we argued at the time -- made it more difficult to reach a negotiated settlement on Cyprus, weakened our ties with Turkey, and threatened the eastern flank of NATO.

(3) Senate vote to cut off aid to Angola. The question in Angola never has been whether American troops would be



introduced there -- they won't be -- but whether the U.S. would acquiesce in Communist expansionism thousands of miles away from the Soviet borders. It is very important that the Senate vote to reverse its position when it returns from recess.



STALEMATE IN WASHINGTON

Q. Many have characterized 1975 as a year of stalemate in Washington where neither the President nor the Congress could exercise its will. Some also argue that we need a Congress and a President of the same party in order to get the country moving again. What do you think?

A. In view of the extraordinary situation in which we found ourselves -- an unelected President facing a Congress dominated by the other party -- I think that we achieved far more legislative progress in 1975 than people first anticipated:

(1) Holding Down Deficits -- Many observers thought the Congress would push through a program that would give us a deficit of more than \$100 billion for FY 1976. I think we managed to rally the country against such an irresponsible program and we managed to hold the deficit to about \$30 billion less than that. The deficit is still too high for our own good, but it is certainly better than what was widely expected.

(2) Energy -- Although the pricing provisions of the energy bill leave much to be desired, the compromise package enacted late in the year achieved about half of the mid-term energy goals that I set out in January and put us on the road to energy independence.



(3) Tax Cuts/Spending Cuts -- Again the bill finally enacted fell far short of what I wanted, but it did provide an extension of tax relief and for the first time in our history, the Congress has now pledged to tie the size of the budget to the size of future tax cuts. That is a major breakthrough.

(4) New York City Aid -- By standing ^{*firm*} ~~rough~~ early in this crisis, I think we provided a catalyst for New York to take primary responsibility for solving its own problems and we were able to devise much better Federal legislation. In a very real sense, as I have said before, New York City bailed itself out.

(5) Housing Legislation -- (Domestic Council: Please fill in.)

When you look over the record, then, it is inaccurate to say that we have had a legislative stalemate in 1975.

But let me add this thought: if the American voters would return a Republican Congress to me in 1977, I can guarantee we would make far more progress toward reducing inflation and creating new jobs than anything we have seen in 1975. As far as our advances toward peace and prosperity, it would be like replacing the tortoise with the hare.



USE OF VETO POWER

Q. Some has asserted that your extensive use of the veto has given your Presidency an essentially negative character in 1975. How do you respond to that?

A. Let's look at it this way: suppose about 5 or 10 years ago I had been elected Mayor of New York City and I was asked to approve measures that would raise the salaries of municipal workers far above other cities, that would give pension benefits to municipal workers enjoyed in no other city, and that would ensure the city was headed toward bankruptcy.

If, as mayor, I had vetoed those measures, I am certain that many would have said I was being very negative, that I lacked social compassion, etc. But with the hindsight provided by current history, we could see today that those vetoes would have been very positive acts -- acts to preserve the financial integrity of the city and prevent many of the personal hardships that are being experienced in New York City today.

In many ways, what I am trying to do today parallels what really should have been done in New York City several years ago. I want to save the economic integrity of the United States itself. And in retrospect, my vetoes of big spending bills will ultimately be seen as the positive act they represent. I sincerely believe that every veto of my



Presidency can be totally justified on the basis of the best, long-run interests of the country.

* * * * *

Two other points can be made about the vetoes:

(1) So far, bills vetoed in the 94th Congress have saved the taxpayers \$7.6 billion in outlays and bills vetoed during the 93rd Congress have saved them \$1.6 billion -- a total of \$100 for every man, woman and child in the country.

(2) Frequently, use of the veto power has compelled the Congress to come up with better legislation. Best example: the tax cut/spending cut veto which led to inclusion in the measure of good-faith pledge by Congress to tie future tax cuts to spending cuts of the same size. Other examples: (Domestic Council: Please provide.)



PRESIDENT AS PARTY LEADER

Q. Some have speculated that your decline in the polls during the latter part of 1975 is a result of your travels on behalf of the GOP. Do you now think those trips were a mistake?

A. I realized at the time that my trips would not be politically popular, but I had two goals in mind that made them worthwhile:

-- First, I wanted to preserve the vitality of the Republican Party in our national life. By making these trips, I collected not a dime for my own campaign but I helped to raise some \$___ million for the Republican Party state organizations, helping to erase many of their deficits. I am a strong believer in the two party system; I think it's healthy for our democracy, and to the extent that my trips helped to preserve that system, I think they were well worth the cost to me in the polls.

-- Second, I recognized that my Presidency was unique. By virtue of circumstance, I became the head of my party without a formal nomination or election. In those circumstances, I thought I owed it to the people who are the backbone of that party to meet with as many of them as I could and to talk together about our hopes for the future of the



country. The trips were very worthwhile from this perspective, too.

So, to answer the question, I regret that the trips did have a negative impact upon the polls, but I am still convinced they were necessary and worthwhile.



MOOD OF THE COUNTRY

Q. How would you characterize the mood of the American people during 1975?

A. Troubled, uncertain, but still very hopeful about the future.

The people of this country have been buffeted by some very strong storms in the last few years -- urban riots, Vietnam, Watergate, record inflation, and a deep recession. Personal values are in flux, many of our social institutions have fallen from favor, and modern technology has transformed the world into a very complicated place to live. It is only natural that the public is troubled and uncertain.

But what is remarkable is how well we have come through these ordeals and how hopeful and optimistic people remain in their daily lives. I think that is a great tribute to the American spirit and will serve us well during our third century as a people.

I feel the same sense of confidence about the future as William Faulkner when he received the Nobel Prize for Literature and observed that "man has not only survived but endured".



WHAT'S RIGHT WITH AMERICA

Q. Why are you so optimistic about the country's future?

A. Because this country has enormous assets that have never been matched anywhere before:

-- Of some 150 nations in the world today, only two dozen can still be counted as democracies today. Human freedom is shrinking in many parts of the world, but here in the U.S., we remain committed to the democratic process and to the preservation of our basic liberties. I worry a great deal about the threat posed by government to those liberties, but the tide is clearly turning against Big Government in the U.S.

-- For all its flaws, our economy remains the most dynamic in history, helping us to achieve the highest standard of living in the world. With some 6 percent of the world's population and 7 percent of the world's land mass, we produce more than a third of the world's goods and services.

-- Our farmers are also the most productive ever known and are doing more to prevent starvation and hunger in other lands than anyone in the world. An average American farmer now feeds 50 other people with a nutritious diet.



-- In the last 15 years, poverty in this nation has been cut in half.

-- Our abundance and generosity have joined in providing the most extensive program of economic and humanitarian aid to other countries in history -- over \$100 billion since World War II.

-- Life expectancy in the U.S. has been dramatically increased.

-- And today we have twice as many students going to college as in the 1950s, and I sense that their values are, if anything, more soundly based than those of my own generation.

So there is much to be optimistic about when it comes to the future of America. Certainly our society has its troubles and its flaws. And we must work to correct them. But in so doing, I would hope that we would recognize the many things that are right about America and build upon them.



GOALS FOR OUR THIRD CENTURY

Q. What goals would you set for America as it begins its third century?

A. To me, the American Dream will become a reality when we can meet essentially three goals:

-- A nation at peace with its neighbors and with itself;

-- A nation where the fruits of happiness and prosperity are equally available to every man and woman, regardless of race, creed, sex or national origin;

-- And, a nation where personal liberty remains precious, untrammelled by Big Business, Big Labor, and most importantly, Big Government.

That's my personal vision of the America I want for my children, and that is the America to which I am dedicating my Presidency.



NEW YEAR'S RESOLUTION

Q. Have you made a New Year's resolution for 1976?

A. (Please fill in.)

