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#24  
12/30/75

PRESS CONFERENCE NO. 24

of the

PRESIDENT OF THE UNITED STATES

2:08 P.M. EST  
December 20, 1975  
Saturday

In the Briefing Room  
At the White House

THE PRESIDENT: Well, this morning I spent about three hours in the next to the last budget review process with a number of appeals and tomorrow I expect to spend approximately three hours on the final decisions on the budget.

We have a number of bills, of course, down from the Hill -- some easy, some controversial -- but we expect to get an awful lot of work done over this weekend.

With those very general observations, I would be glad to answer any questions.

QUESTION: What are some of the hardest budget decisions you are making right now?

THE PRESIDENT: They are all hard, Ann, because even though the budget will reflect an increase over the current fiscal year, it will reflect a \$28 billion cutback in the growth of Federal spending and, therefore, you have to make hard decisions in practically every department, but if we are going to get a \$28 billion tax cut, we have to have a \$28 billion cutback in the growth of Federal spending, and we are going to have a \$395 billion spending budget for the next fiscal year and that will permit me to recommend to the Congress a bigger tax reduction than the Congress passed and which I will sign Monday when the bill gets down here.

The American people need and deserve a larger tax cut and I am delighted that the Congress after a lot of pulling and hauling finally agreed that we would have in principle a tax reduction and a spending limitation on a one-for-one basis. That, I think, is a very sound principle. That is what I have been fighting for, and now that the Congress has made a good faith commitment I think my larger tax recommendations to cut taxes more than the Congress passed means that we will get a firm handle on the growth of Federal spending.

QUESTION: Is the \$28 billion what you will propose again next month as far as the tax cut goes?

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THE PRESIDENT: Well, the tax bill that I intend to sign reduces taxes on a full year basis of about \$18 billion. My tax reduction proposal will add another \$10 billion in additional tax cuts and it will all be predicated on a restraint, a control, in the growth of Federal spending of a like amount.

QUESTION: What are you going to do on the energy bill, Mr. President?

THE PRESIDENT: I have recommendations from people on the outside on both sides of the issue. I have recommendations from my top advisers on both sides of the issue and I am going to spend a good part of this weekend analyzing the pros and cons. We have had an Economic Policy Board meeting on that issue and I will make the final decision probably on Monday.

QUESTION: Mr. President, have you decided on situs picketing?

THE PRESIDENT: No, I have not. That is another measure that I will be working on this weekend. There is, of course, in the Administration differing views. The American people have very strong convictions on both sides of that issue and we have gotten a tremendous amount of mail in opposition to it. We are getting some mail in favor of it. I am going to try and make an honest judgment over this weekend.

Now, of course, that bill, as of this moment, has not come down from the Congress; I hope it will be here so that the difficult decision can be made.

QUESTION: Is there a difference in the mail, Mr. President? I mean the mail that is against that bill, does it seem to be more from organized forces?

THE PRESIDENT: I can't tell but the last count I showed there were something like 620,000 communications against the common situs picketing bill and something less than 10,000, as I recall, for it.

QUESTION: Mr. President, you have been working very hard on this budget and had a hard time getting Congress to agree to any spending cuts. Do you have any opinion on this proposal of former Governor Reagan's to cut \$90 billion from the Federal budget by turning this over to the States and local communities? What do you think of that idea?

THE PRESIDENT: I met with I think it was nine Governors -- Democrats as well as Republicans -- several days ago and I got recommendations from them because the Governors, I think, played a very important role, not only in running their own States but in working with the Federal Government, and the consensus -- well, the unanimous view of all of those Governors was, don't put any extra burdens on us and our taxpayers in each State.

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I gather from that that any reduction in the Federal budget of \$90 billion, turning all of that extra responsibility over to each of the 50 States, would not be acceptable and would not be supported by the 50 Governors.

QUESTION: Mr. President, now that we are in the field of politics tangentially, can you --

THE PRESIDENT: I didn't answer it on that basis.

QUESTION: No, I know you didn't, but we were trying to get in there so I will try again. (Laughter)

Can you tell us anything about your campaign plans for next year? Are you going into New Hampshire and Florida, for example?

THE PRESIDENT: We have a lot of open dates in those months because we first felt that the most important thing was to do the business of the Federal Government. I am sure that we will participate to some degree in various primary campaigns but I emphasize and say it very strongly that the principal responsibility of a President of the United States is to make sure that he exercises his full responsibilities as President. If there is time for any campaigning, and only time can tell, then I will do what I can, but I have no concrete plans at this moment.

QUESTION: Mr. President, could you give us a sense of how you feel you are doing politically right now, especially in view of that poll that showed Ronald Reagan ahead of you by a substantial margin among both Republicans and Independents?

THE PRESIDENT: The way I judge it is whether I think I am doing a good job as President. I am concentrating on that responsibility. I think we have made substantial progress in the last 16 or 17 months in straightening out a very serious economic problem, in carrying on a sound foreign policy and, in my opinion, the American people in the final analysis will judge whether I should be nominated and/or elected on the basis of how I conduct myself in this office and that is where the concentration will be?

QUESTION: Just to follow up on that, sir, in view of the fact, of course, you have been President, what do you think is the significance of that poll? What does it tell you, if anything?

THE PRESIDENT: I am not sure I understand the intent of the question.

QUESTION: Well, since you have been functioning as President and doing the best job you know how, as you say, what is the importance of the poll that shows you trailing Mr. Reagan politically even so?

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THE PRESIDENT: Well, I think the final answer, of course, comes in the ballot box and if I do the job -- and I think we have made some great progress certainly in solving economic problems and I think we have done a very good job on foreign policy -- that will be the test, not any interim polls.

QUESTION: Mr. President, after Mr. Callaway stirred up a bit of a storm in Houston with criticizing Mr. Reagan's record as Governor, you talked to him the next day. Did you tell him to lay off this, and what do you think of the way he is running the campaign?

THE PRESIDENT: I think overall that Bo Callaway has done a good job. I get weekly reports on the status of our organization in the various States and when I look at that I am convinced that we are in good shape in most States and we are working to improve in those where we are not.

QUESTION: But, Mr. President --

THE PRESIDENT: Excuse me just a minute.

Now I think both Bo Callaway and I agree that there should be no personal attacks on Mr. Reagan and I understand he feels the same way about any campaign on his behalf. The thing that I think we are going to emphasize -- myself particularly and I hope Bo and the others -- is my record, which is one that is examined on a day-to-day basis by literally millions and millions of people, and I will stand on that record and Bo is going to accentuate, as I and others will, the success of this record. If the public as a whole wants to examine not only my record but the Governor's record, that of course is the option that they have.

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QUESTION: Mr. President, yesterday you issued a statement about your sentiments on what the Senate has done on Angola.

THE PRESIDENT: I said it fairly strongly.

QUESTION: You sure did. After you did it, Dr. Kissinger said something a little more even stronger over at the State Department around five o'clock. He said the responsibility of the conduct of foreign policy is not altered or affected simply because Congress has taken an action. I don't know quite how to read that but I can read that once you spend the money that is in the pipeline there is not any more. What is the United States policy toward Angola going to be given the fact that you are going to run out of money in about two months?

THE PRESIDENT: Our fundamental purpose in Angola was to make sure that the people of Angola decide their own fate, establish their own government and proceed as an independent nation. We think it is fundamentally very unwise, very harmful for any foreign power such as the Soviet Union is obviously doing and as Cuba is doing to try to dominate any government in that country. All we want is for the majority of the people in Angola to decide for themselves what they want.

Now unfortunately because the Soviet Union has spent literally millions and millions of dollars and unfortunately because Cuba has anywhere from 4,000 to 6,000 combat troops in Angola, we think this is a setback for the people in Angola.

Now I take this problem very seriously.

QUESTION: Well, what is to be done with your hands tied, so to speak?

THE PRESIDENT: Well, the Congress unfortunately has tied our hands and I think it is a serious mistake. I feel very strongly that a great country like the United States should have flexibility to help those people in any one country to decide their own fate and the action of the Congress is crucial in that it has deprived us of helping a majority of the people in Angola to make their own decisions. The problem that I foresee on a broader basis is a good many countries throughout the world consider the United States friendly and helpful and we have over a period of time helped to maintain free governments around the world. Those countries that have depended on us, and there are many, can't help but have some misgivings because the Congress has refused any opportunity for us in Angola to help a majority of the people and they can't help but feel that the same fate might occur as far as they are concerned in the future.

I hope the House of Representatives will have a different view and we are certainly going to try and get the House of Representatives to reverse the Senate action.

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QUESTION: If not, are we through there?

THE PRESIDENT: I never say we are through but the action of the Senate has seriously handicapped any effort that we could make to achieve a negotiated settlement so that the people of Angola could have a free and independent government.

QUESTION: Mr. President, on that subject why did we not start earlier in making public our opposition to what the Soviet Union was doing there and telling this country how much money and what effort we were making there, and can you tell us how much money we spent there?

THE PRESIDENT: I don't think it is wise for me to discuss in any detail what we have done or contemplated doing. It was a legitimate covert operation where not one American military personnel was involved in the operation and we had no intention whatsoever of ever sending any U. S. military personnel there, but to discuss any further details than that I think in this case as in any other covert action case the President just should not discuss it publicly.

QUESTION: Mr. President, now that the Soviet Union is persisting despite what the Congress did on our side in pouring equipment and material into Angola, do you see now the possibility that this might seriously harm any chance for a completion of SALT 2?

THE PRESIDENT: The persistence of the Soviet Union in Angola with a hundred million dollars or more worth of military aid certainly does not help the continuation of detente. Now I will add another comment. As I said earlier, there are between 4,000 and 6,000 Cuban combat military personnel in Angola. The action of the Cuban government in sending combat forces to Angola destroys any opportunity for improvement in relations with the United States. They have made a choice in effect and I mean very literally has precluded any improvement in relations with Cuba.

QUESTION: Mr. President, do you see any possibility that this matter could be taken to the United Nations or worked on from the diplomatic standpoint now?

THE PRESIDENT: We certainly intended to try to get diplomatic efforts underway and to help in the diplomatic area but I think our influence in trying to get a diplomatic solution is severely undercut by the action of the United States Senate.

Now there is a meeting in early January of the Organization of African Union, the foreign ministers of that organization. They are meeting the first week or so in Africa. We hope that they will take some action to let the Angolans themselves decide this. In addition, there is a meeting later in January of the heads of government of the OAU. That body, of course, is the one that could do the most and I know that there are a number of African states who have apprehension about a foreign power dominating a country as rich and potentially strong as Angola and so I

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can assure you to the extent that we can have any impact in diplomatic areas we are certainly going to maximize our efforts, but I repeat that what the Senate did yesterday undercuts very, very seriously any impact we can have in the diplomatic field.

MR. NESSEN: Jim Lynn has a lot of tough questions waiting for you, too.

THE PRESIDENT: Two more.

Aldo.

QUESTION: Mr. President, a couple months ago there were some efforts by the Administration to try and warm relations with Cuba; Dr. Kissinger made some statements, I believe. It is apparent now that at that very time the Cubans had to be gearing up or knew that they were probably at least considering sending troops to Angola. Did our intelligence pick up this fact and was there any cause and effect? Were we in effect trying to persuade them not to participate in Angola and were we offering friendship to them in return for their not participating?

THE PRESIDENT: The sending of military personnel via Cuba to Angola is a rather recent development in any magnitude. The statements made by the Secretary indicating that there was a softening, a change on the part of Cuba, it would be reciprocated by us, was made before there was any significant military involvement by Cuba in Angola. I wanted to be on the record, and as forceful as I can say the action of the Cuban government in the effort that they made to get Puerto Rico free and clear from the United States and the action of the Cuban government to involve itself in a massive military way in Angola with combat troops ends as far as I am concerned any efforts at all to have friendlier relations with the government of Cuba.

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QUESTION: Sir, I don't think you answered my question. Can you tell me if the efforts were connected in any way with the Cuban efforts?

THE PRESIDENT: I thought I answered it.

QUESTION: I am sorry.

QUESTION: Mr. President --

THE PRESIDENT: To be very specific and short, no.

QUESTION: Mr. President, can we go back to the tax cut a moment. As you probably know, there are a lot of people in Washington, including a lot of Democrats, who are saying you caved in, that you could have gotten the same deal a week ago on this non-binding resolution and that with an election year coming up you could not very well give people the Christmas present of higher taxes. Was your decision to accept this bill motivated in any part by election year politics and do you think it caved in?

THE PRESIDENT: I think the compromise which was achieved was a good tax bill for six months but I under no circumstances believe that I backed off a very fundamental principle which was if you are going to have a tax reduction you have to have a corresponding limitation on the growth of Federal spending. I won on that issue 100 percent, and if you tie that principle which the Congress has agreed to with the budget ceiling that I am going to submit of \$395 billion, it does mean that the Congress will have to respect their good faith commitment and operate within the \$395 billion figure.

QUESTION: Sir, did you have the same deal offered to you though a week or so ago and you didn't have the option of taking the deal as some people say?

THE PRESIDENT: Not at all. Well, the evidence of that is that the Republicans in the House of Representatives roughly a week ago offered as a motion to recommit a \$395 billion ceiling for fiscal 1977 and virtually every Republican voted for it and very few Democrats did. That, in my opinion, was a rejection of the ceiling concept at that time but after the veto of the tax bill and it being sustained the Democrats in the Congress then came forward with this dollar-for-dollar reduction in taxes and a dollar-for-dollar reduction in Federal spending. It was their proposition but it followed the guidelines that was within the perimeters of what we had long sought.

QUESTION: Mr. President, do you expect Congress to go along with the \$395 billion ceiling? They have not said they will so far.

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THE PRESIDENT: We are going to submit a budget for \$395 billion or less and I think we can justify it fully. I believe there is a little different attitude up on the Hill among Republicans as well as some Democrats that that is a responsible figure. I think we have a fair chance of achieving it. We are certainly going to try.

QUESTION: On John's question, he had asked about political motivation as far as the tax cut. Taking that a step further, what do you think when you look at the cover of Newsweek and some of the other stories that have your face, and says "Ford in Trouble"? Have you been misjudged by some of the people who are covering politics?

THE PRESIDENT: I think the record is good and I think time will prove it.

QUESTION: Time Magazine? (Laughter)

THE PRESIDENT: The passing of time -- and don't take that wrong either. (Laughter)

I think when the record is laid out from August a year ago and 1976, I think the public will support what I have done and it will be done in the ballot box.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all. Have a good weekend.

Tom, you were going to ask a question. You have been sitting there silently, and that is unusual. (Laughter)

Well, go ahead, one for you, Tom.

QUESTION: Thank you, Mr. President. I was going to go back to situs picketing for just a second.

There is a lot of speculation around town that Secretary Dunlop might resign if you veto the situs picketing bill and some of the people standing over here kind of get that same queasy feeling themselves. I am wondering whether you and Secretary Dunlop have talked about that, whether he has raised that possibility with you and whether you think if you do veto the bill that that might happen? Do you expect him to?

THE PRESIDENT: I would not want to speculate on that aspect. I know that he feels very strongly about the legislation. I feel very strongly that he is one of the finest members of my Cabinet. We have had several discussions in depth as to the merits, the substance of the common situs picketing bill. There has been no indication to me that he would resign, but since I have not made a decision on the legislation yet I think any discussion is a little academic.

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QUESTION: The only other thing I can say is that you probably like the cover of Newsweek this week better than last week since it -- (Laughter)

THE PRESIDENT: I understand that the better half of the Ford family is going to be on it with a little more complimentary cover. (Laughter)

QUESTION: That is what I meant.

THE PRESIDENT: I keep telling Betty that I get embarrassed all the time with her polls and good pictures. When they take a picture of her dancing, it is beautiful; when they take a picture of me dancing and publish it, it is not very complimentary. (Laughter)

THE PRESS: Thank you, Mr. President.

END (AT 2:36 P.M. EST)

#25  
2/8/76



PRESS CONFERENCE NO. 25

of the  
PRESIDENT OF THE UNITED STATES

4:01 P.M. EST  
February 8, 1976  
Sunday

In the Memorial Union Building  
At the University of New Hampshire  
Durham, New Hampshire

THE PRESIDENT: Good afternoon. Won't you all sit down and relax.

I have enjoyed being here. Ron Nessen has enjoyed being here. The next time Ron comes, I think we will get Ron to ski up here.

Why don't we have the first question?

QUESTION: Mr. President, John Whiteman, Portsmouth Herald.

A survey in a Boston newspaper today says that Mr. Reagan's campaign has contacted more New Hampshire voters than yours, and it suggested the Ford campaign has been out-organized so far.

In an apparently tight race, do you feel the 16 days remaining is sufficient for you to gain enough voters to win this New Hampshire primary campaign?

THE PRESIDENT: I believe in the final analysis the voters in New Hampshire will make a decision on the basis of policies. The policies that I have implemented, the policies that have proven successful, as far as our economy is concerned, turning it around, starting it around on an upswing.

I don't think they will make their decision on the basis of promises or rhetoric.

Secondly, I think our organization is a good organization. I met with seven or eight hundred, maybe more, this afternoon in Concord, extremely enthusiastic, coming from all over the State, and they have done a good job and they will do a good job.

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It is my impression the many times I have been to New Hampshire in the past -- not just in the last month -- will have an impact because of the numerous times I have been in New Hampshire over the last ten or 15 years, I have acquired many friends, many individuals who believe in my policies, so I am not just coming in for a last-minute effort.

I have a vast reservoir of good friends here that I have made over the years, including, I think, three times in 1975. So, ours is not a last-minute effort like some campaigns have been. I have policies that are on the record, and I don't have to say I would do this hypothetically.

So, our efforts in the last several days I think have been a good climax to what we have done over a great many years.

QUESTION: Thank you, sir.

QUESTION: Mr. President, Niles Clevesy, Plymouth State College.

Mr. President, in a February 5 Manchester Union Leader article entitled "Action Irks Governor," New Hampshire Governor Melvin Thomson, Jr., severely criticized your Administration of a ruling by the Atomic Energy Safety Licensing Board which would delay a proposed nuclear energy plant at Seabrook.

The Governor blames the Board for freezing nearly 3,000 badly needed construction jobs in the State, and charged that the delay of the nuclear plants construction is costing the electric-consuming public \$10 million a month.

As I understand it, Mr. President, you called for construction of 200 major nuclear plants by 1985 in the United States. Would you care to comment on both Governor Thomson's charges and how the constant delays in awarding the permits to Seabrook affect your deadline for 1985 for such plants?

THE PRESIDENT: Under the laws passed by Congress, a nuclear regulatory commission has been established. It has the sole jurisdiction to make a decision as to any applicant and any protest made concerning that applicant. Any interference by a President of the United States in that process would be unethical and illegal.

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This President doesn't intend to participate in any unethical or illegal pressure on the Nuclear Regulatory Administration.

That agency, or that commission, will make a decision and will make it on the facts. I think it has taken too long, but that is their responsibility.

As you indicated, I am a firm advocate of many, many more nuclear powered plants in the United States. In January of 1975 in my State of the Union Message, I said it was mandatory that the United States undertake the construction of some 200 additional nuclear powered plants all over the United States in order to free us from the oil cartels in the Middle East.

Unfortunately, that program has been slow in materializing. There have been some questions raised as to reliability and safety of some of those nuclear power plants.

In order to make certain that power plants built in the future are safe, are reliable, I have recommended in the budget for fiscal year 1977 substantial additional funds for the Energy Research and Development Agency, called ERDA.

I think we can still meet the goal of 200 nuclear power plants throughout the United States, and a fair proportion in the State of New Hampshire.

But, I repeat, this President is not going to undertake any unethical or illegal pressure on any independent regulatory agency in the Federal Government. It would be wrong, and I don't intend to do it.

QUESTION: Mr. President, Allen Bridges, WKBR Radio.

When Secretary Coleman announced his decision this past week on the Concorde, is that not an indication your Administration is turning its back on environmentalists?

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THE PRESIDENT: Not at all. Anyone who has read Secretary Coleman's very sizable opinion granting temporary authority for 16 months under very tightly prescribed restrictions, they cannot land or take off before 7 a.m. in the morning and they cannot land or take off after ten o'clock in the evening, and there can only be a very limited number of flights per week. And in the meantime, he reserves to himself the total authority to stop any flights if there are any violations of his particular order.

In addition, he has urged the British and the French and the United States to undertake a comprehensive coordinated effort to study the problems of the ozone.

Many environmentalists have raised theoretical problems as to the impact of Concorde's flying at the speed and at the level as it might affect the ozone. I think Secretary Coleman has written a very excellent, constructive decision, and if this 16-month trial period is carried out, as I believe it will, it will give us some very important information that will permit us to make a final decision.

And I would like to add a postscript. The very limited number of supersonic aircraft that will be flying the so-called Concorde flights are a miniscule number of the total number of military supersonic aircraft that are flying around the world every day.

But nevertheless, we ought to do what Secretary Coleman suggested, 16-month trial period, have rigid regulations, very important testing in the process.

I think it was an excellent decision. I fully support it.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, Michael Imsick. In view of the many complications in the establishment of a 200-mile ocean fisheries and economic limit such as free shipping, passage, military access, migratory fish species, the presence of our fishing vessels within 200 miles of other countries and inevitably boundary disputes, would you endorse a temporary 200-mile unilateral economic limit until it can be solved through international agreement?

THE PRESIDENT: This Administration has been working very, very hard in the Law of the Sea Conference. We have another Law of the Sea Conference in New York in late February or early March.

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We now have a draft paper that is substantial progress which meets in some degree or another all the problems that you raise. It would be very beneficial for the world as a whole to settle the problems of the 200-mile limit, the ownership of seabeds minerals, the navigation problems, overflight, on-the-surface use of the sea.

If we could settle all those problems in this Law of the Sea Conference that comes up in late February or early March that would be the best solution. In the meantime, I think it is helpful to have some pressure, if the negotiators dilly dally, don't do something affirmatively, then he ought to recognize the United States feels it is vitally important that we do something to protect not only our game fish but our commercial fish.

Therefore, I have said we will give you the law Law of the Sea Conference through 1976 and some months in 1977 to fish or cut bait. And if they don't, then the United States ought to move unilaterally.

I feel very strongly that way, and I think the negotiators ought to move and stop haggling and finding answers to the problems you are talking about.

Yes, sir.

QUESTION: Mr. President, David Wysocki, WKXL. You said you feel your strategy of running on your record plus your past experiences here in New Hampshire will be successful here.

I am wondering what if it isn't successful. Will you possibly come back here before the 24th and what would determine that trip, and also taking a step further, suppose you lose in New Hampshire and a couple of other primaries, will you take the campaign trail more yourself or will you decide that perhaps being President is more important and drop out of the race?

THE PRESIDENT: We are analyzing whether we will or will not come back before the 24th. No final decision has been made. I have been encouraged by the warm reception, the good results I think that have come from this trip, but we have made no final decision, yet we have another trip as a possibility.

I do expect to first concentrate on being President of the United States. That is a rather full-time job, and I will make that the most important responsibility I have, but on weekends, a time that I think can be taken from that job and do whatever campaigning seems to be desirable, seems to be necessary.

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It will be extra over and above the responsibilities I have being President.

Let me reiterate something I have said before. I expect to do well in New Hampshire. I think we will do well in some of the other primaries, but I have an old adage that I follow, prepare for the worst because the best will take care of itself.

Now, let me say this, I expect to be a candidate for the nomination of the Republican Party in August in Kansas City. I will be there and whatever happens will have no impact on that. I love a good fight. I will be representing the viewpoints and the record that I have, and I think we are going to win before as well as there.

QUESTION: Sir, to follow that up, please. You say you will be preparing for the worst, but suppose you do lose New Hampshire, Massachusetts and some of the others, that will have some bearing, of course, on what your campaigning further on will be. Will you go out campaigning more on your own?

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THE PRESIDENT: Since I don't anticipate the dire results you are speculating on, I really haven't made any plans to meet that contingency.

QUESTION: Thank you.

QUESTION: Cathy Wolf from the Associated Press.

I would like to follow up on that Seabrook question that was asked earlier. Thomson said he was told many, many months ago that one of your top aides had told him that a decision to go ahead with the license would be made by September.

At that time, the NRC Board was still reviewing that proposal. Do you know who that aide was, and was such a promise given?

THE PRESIDENT: I do not know who the aide was that gave that alleged information to Governor Thomson. I don't think any aide in the White House would be that knowledgeable to know when and if the Nuclear Regulatory Agency would make a decision by a date certain.

There are always factors that come out during the process of hearings and consideration by an independent agency. I understand there have been one or two new developments involved in the Seabrook nuclear power plant.

Those new developments inevitably cause some delay because even once the decision is made by the nuclear regulatory agencies, unless their decision is fully backed up by the facts, unless their decision totally complies with the law, they, of course -- it is their decision, it is subject to court involvement.

The worst thing would be for a President or his people to unethically or illegally get involved in that process. That would really slow the matter up.

Now, if a Governor wants to get involved, or somebody on the outside, they do it at their own risk. But, this President isn't going to do anything illegal or unethical concerning that project.

I have strong feelings, as I said a moment ago, that we need 200 more nuclear power plants, and I hope the Nuclear Regulatory Agency moves as rapidly as it can on all of them. But, that is their decision, and I am not going to try to tell them how to do it.

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QUESTION: Well, the Governor made this claim a couple of weeks ago. Had you heard about it at all? Had you heard that he said he had been told by an aide?

THE PRESIDENT: I read it in the newspaper, but I don't think that any person on my staff should try to tell the NRC when and how they ought to make the decision.

QUESTION: Will you check out, Mr. President, whether anyone on your staff had had communication with Governor Thomson on this matter?

THE PRESIDENT: Yes, I will try to do that.

QUESTION: Mr. President, Rick Beyer, WDCR-AM.

I would like to know, was your recent change of heart on the Supreme Court ruling on abortion basically a political move to improve your position in New Hampshire and, if not, I would like to know why you feel that a new Constitutional amendment of the kind you advocated for State control of abortion regulations is necessary?

THE PRESIDENT: My decision adverse to the Supreme Court decision goes back some time. I felt at the time the decision was made that it went too far. I publicly expressed that view at that time, and while I was a Member of the House of Representatives after that decision, I made a decision to oppose the Constitutional amendment that would preclude any Federal Executive, Legislative or Judicial action against abortion, and I felt then -- and it is on the record at that time -- that I favored an amendment that would permit individual State action.

That record was laid out long before I became Vice President or President, so it has no application whatsoever to the current situation.

QUESTION: Why do you think such an amendment is necessary?

THE PRESIDENT: I think that it would be very helpful in clarifying and giving to the individual State -- we have 50 States, and if they want to make a decision one way or the other, if you believe in States rights, I think it is a very proper, very logical conclusion.

QUESTION: Thank you, Mr. President.

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QUESTION: Mr. President, I am Fred Kocher from WMUR-TV.

The Federal District Court in Concord just recently here in New Hampshire ruled that a State law here in New Hampshire allowing voluntary prayer in public schools was patently unconstitutional.

My question to you is, do you agree with that kind of court decision, because there are people in this State and in many States that feel that voluntary prayer is a basic Constitutional right.

THE PRESIDENT: Some years ago there was a United States Supreme Court decision as to whether or not a woman in Baltimore, as I recollect, who had a child who objected to the nondenominational prayer that was conducted in that community.

That court decision in effect said there could be no prayer in public schools in the United States.

I read that decision very carefully. I read the dissenting opinion of Justice Potter Stewart very carefully.

I subscribe to Justice Potter Stewart's dissenting opinion and, therefore, I disagree with the Supreme Court decision which precludes nondenominational prayers in public schools.

I agree with the Supreme Court Justice Potter Stewart, who said the court was wrong.

So, I regret the court decision. I agree with the minority, and I think it is most unfortunate that under reasonable limitations, I think it is regrettable that under reasonable limitations there can't be nondenominational prayer in public schools.

MORE

QUESTION: What course of action would you suggest at this point, let's say, to the Congress or to any group who disagreed, like you do?

THE PRESIDENT: The most extreme course of action would be a Constitutional amendment. When this matter came up, I was the Republican Minority Leader in the House, and Senator Everett Dirksen was the Republican Minority Leader in the Senate. He was a firm advocate of a Constitutional amendment to remedy this situation.

I talked with him many, many times about it because that was one thing he wanted to do because he felt so strongly about it. In the process of my discussions with him, I subscribed to an amendment of that kind.

QUESTION: Mr. President, Mike D'Antonio. Any cuts in aid to education may make entrance to universities impossible for low and middle-income people who cannot pay the entire bill without assistance. Will you please comment on that?

THE PRESIDENT: Well, the primary responsibility for the financing of a State university comes from the State itself. These are State universities, and the funding for the faculty, for the facilities should, of course, come as a major responsibility of the State.

Now, the Federal Government does put in a very substantial amount of funding in several ways. One, the Federal Government finances a great deal of research and developments in college laboratories. It puts a great deal of money into State and private universities all over the country for basic research, for applied research.

The other approach that the Federal Government does is to give to students who want to attend a university significant financial assistance. In the budget that I recommended for fiscal year 1977, I proposed a billion, one hundred million dollars for the Basic Opportunity Grants program to help students all over the country so that they would have financial resources so they could go to colleges and universities throughout the United States.

This program is focused in on the students who are in need. Now, we have a number of other individually focused programs for the students. We have this guaranteed loan program, and I have to say parenthetically the repayment rate on those loans has not been very encouraging. But we also have the Work Study Group, or program, where on many, if not all campuses, the Federal Government pays, as I recall, 90 percent of the pay that goes to students who work on the campus doing jobs related to the maintenance and so forth of the campuses.

MORE

This program, when you add it all up, as far as the Federal Government is concerned, will be in the range of around \$2 billion for students, period. And in addition, we have the grant programs for many, many studies conducted on behalf of the Federal Government in universities themselves.

Then we have, I should add, a massive dormitory program for State universities and other universities.

I saw a very substantial facility as I drove in to the campus today. I suspect that is a Federally financed -- although I can't be sure -- but it looked like one of the many all over the United States where the Federal Government puts up the money in effect for the construction of dormitory facilities in many colleges and universities.

QUESTION: Mr. President, do you have any new programs in the work to help students who are applying to institutions like the University of New Hampshire where State assistance is low and perhaps they have been cut out by the recent cuts in education funding? Are there any new things aimed at particularly the low and middle-income students?

THE PRESIDENT: I don't think there are any new programs of that kind. Of course, if we get tax reductions for the middle-income wage earner, the way I proposed, the middle-income wage earner will have more money to help send his son or daughter to a college or university.

There is one other Federal program that I didn't mention. It is a very substantial one. It is the GI bill which costs the Federal Government, I recollect, \$3 billion to \$4 billion a year to send ex-GIs to colleges and universities so they can complete their training based on their 36 months entitlement under the Vietnam War program.

QUESTION: Thank you, sir.

QUESTION: Mr. President, I am Tim Clark from the New Hampshire Network.

We have seen reports that Treasury Secretary Simon recently proposed privately to you that the Federal income tax system be simplified by doing a way with all tax deduction and lowering income tax rates across the board.

First of all, did such a proposal reach your desk? Secondly, what was your response, and if it didn't reach your desk, what would your response to such a proposal be?

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THE PRESIDENT: Secretary Simon has talked to me in generalities about a Federal income simplification program. The objective would be to lower income tax rates, but it would take away all or most of the exemptions that are currently in our existing internal revenue code, such as the deduction for contributions to educational institutions, deductions to charitable organizations, and a wide range of other deductions such as those to the United Fund, to the Red Cross, to the rest. That would be the thrust of the proposal made by Secretary Simon. We had a good discussion about it.

I said I would not embrace it. I thought the better way to proceed would be for him and the Treasury Department to study it and then present to me not something orally, but something on paper so that I could analyze it very concretely and very specifically.

I had some experience with a somewhat comparable proposal that I think President Johnson proposed to the Congress eight or nine years ago which, on paper, was a very simple proposal, lowering rates but eliminating virtually, if not all, deductions.

I don't think I got any more mail under any program because every church group, every university, every charitable organization--they didn't want to lose those deductions because that is how we supply the wherewithall for a great many scholarships, a great many worthy projects to help the poor, to help other people in need.

So until Secretary Simon comes to me with a concrete proposal that I can analyze the pros and cons, I am not going to give it the go-ahead sign. If and when that comes, we will make a decision.

QUESTION: Some of the Democratic candidates for President this year are speaking loudly and often about tax reform. If you are not in favor of the Simon proposal, what are your thoughts on reforming the tax system?

THE PRESIDENT: I don't think this proposal to which you refer is the kind of reform that some of the Democratic candidates are talking about. They are talking about a wide variety of many other things.

We have sent up through Secretary Simon some specific reductions or loopholes closings. They are in part incorporated in the bill that passed the House of Representatives in the last session that is now before Senator Long's Senate Committee on Finance. Even though that "reform bill" has some things in it we don't approve of, it does have some we recommended.

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So depending on what the Senate does, I will have to make a decision. I would hope that Senator Long's committee in the Senate would make some modifications. If they do, we could embrace a tax reform bill.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, Marc Capobianco, student paper of Dartmouth College.

As a Congressman your voting was never less than 70 percent in support of Nixon policies. As Vice President, you argued for Nixon's programs and staunchly defended him against impeachment. As President you consulted with your President and pardoned him.

How has your Administration definitively distinguished itself in its policies from those of the former President?

THE PRESIDENT: Well, I think one very significant difference is that we have different people in the vast majority of major offices in the Cabinet, in regulatory agencies, we have a new team in many of the major areas of policy determination and policy direction -- the Cabinet, regulatory agencies, et cetera.

We have followed a very middle-of-the road to conservative view in economic policy. It has been a policy decided by me. I didn't go back and look at what the former President did because he didn't have the hard decisions like we had in 1975.

If there is a similarity, it is pure happenstance. The decisions I made in 1975 were mine predicated on the problems that we faced.

Now, in the field of foreign policy, there is an area of similarity. I believe that SALT I was a good agreement. I believe that if we can get a SALT II agreement, it is in the best interest of this country

Let me just point out some of the things that will happen if we don't get a SALT II agreement. In the first place, backfire will run free. There won't be any limitations or constraints on it. If we don't get a SALT II agreement, there won't be any definition of a launching weight and throw weight. If we don't get a SALT II, there will be no limitation on launchers or MIRVs after October 1977.

I happen to feel very strongly that SALT I was a good agreement and it is desirable for a good agreement for SALT II. If that is a similarity you are complaining about, I think it is a similarity that is worthy of support. Where we are similar, fine; where we differ, it is just one of the differences that are likely to take place.

QUESTION: Thank you.

MORE

QUESTION: Mr. President, Ron Amadon from WGIR Radio in Manchester.

Would you accept Ronald Reagan as your Vice President?

THE PRESIDENT: I said I guess a month ago that that was within the realm of possibility. But, I also said quite recently there is a long list of very able United States Senators, present Governors, other public officials who certainly ought to be considered. Any former Governor, I think, certainly would qualify for consideration.

QUESTION: If I may follow up on that, sir, would you agree to debate Mr. Reagan during the primary campaign?

THE PRESIDENT: I don't see any real necessity for it. I have a record. I cast 4,000 votes in the House of Representatives in 25 years on Federal issues. I have been President for 18 months. The public knows what my record is. If they want to compare it to the rhetoric or the words of former Governor Reagan on Federal issues, I think that is a very legitimate study for the American people to make, but I don't think a 30-minute or an hour debate is the preferable way or the better way for the public to find out what the facts are.

They can look at my voting records, and the way I have acted in the White House for the last 18 months, it is on the record, meeting practical problems in a practical way, not with speeches, and they can compare that record with the Governor's record as to what he says he will do and that is a very valid comparison. I don't think that an hour's debate would make any difference.

QUESTION: Thank you.

QUESTION: Mr. President, Bill Ayedelott, WLTN, Littleton, New Hampshire.

President Ford, this is your second political appearance in New Hampshire in the last six months, the first one being this past September on behalf of the candidacy in the special Senate election of Lou Wyman.

At that time, you were supporting him and his record. He was wholeheartedly supporting you and your Administration. Yet, in the outcome of that election, he suffered quite a stinging defeat in what is generally a Republican State.

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I am wondering whether you feel that, or whether you are just regarding that as a personal loss for him despite your appearance in his behalf, or whether it might be considered a valid indication that quite a number of New Hampshire voters are dissatisfied with your policies?

THE PRESIDENT: I think it proves one thing -- that you can't necessarily translate your own record or your own popularity to another candidate. I am not going to speculate on the impact of that appearance where I was very warmly and very generously received by, I think, over 100,000 people in the short span from nine o'clock in the morning until nine o'clock at night.

I am not going to speculate whether that warmth and that very generous reception that was given to me in that September day will have an impact on this election or not.

I think the only time we can really see is February 24, and I am quite optimistic.

QUESTION: In a follow up to that, despite that appearance where so many people lined the motorcade and so forth, despite -- well, perhaps not despite, but up to this time you are coming to New Hampshire, many political experts in this State and also within your own organization are saying that the race with Governor Reagan is going to be right down to the wire, an unusually tight situation for an incumbent executive.

I am wondering, as a politician, as a President, from your viewpoint, what is it that Ronald Reagan is saying that seems so attractive to apparently so many New Hampshire voters and what is your response to that?

THE PRESIDENT: I won't comment on what the former Governor has said that seems, under your analysis, helpful to his campaign. I have a record. We can't say one thing and then do another. We have to deal with reality, and we have and acting with reality, we have been successful in turning the economy around, be successful in foreign policy.

When the chips are down, I think the people will want a proven quality rather than one who hasn't had those hard decisions to make or those difficult actions to take. I will just wait until February 24.

MORE

QUESTION: Jerry Vaillancourt, WFEA in Manchester.

Mr. President, a number of supporters of yours, both locally and from across the country, have come to New Hampshire to criticize Ronald Reagan on such topics as his proposed \$90 billion Federal budget reduction plan, his stand on the equal rights amendment, the status of cities in California when he was Governor, but the campaign between the two of you has been rather squeaky clean, if I may say.

Do we have any reason to assume that what the supporters of your candidacy here in New Hampshire say against Ronald Reagan are really echoing what you really believe or what you would like to say?

THE PRESIDENT: I don't think you can get into a political debate and have it at a right level if you indulge in personalities. I certainly never have, and I never will. I hope that the people that have represented me, or been interested in my candidacy, have asked factual questions, have raised legitimate factual issues.

There are plenty that ought to be raised.

I have often wondered over my experience in politics -- and I ran 13 times for re-election, or 12 times for re-election, once against an incumbent -- and I always believed and I believe today that when you apply for a job, your prospective employer--in this case, the voters--ought to look at your record.

What is wrong with that? When a person applies for a job -- and in this case it is the voters in New Hampshire, and the voters in 49 other States -- those prospective employers ought to look at your qualifications.

My qualifications are on the record, and I think it is a very legitimate experience for the voters here, as well as elsewhere, to see what the record is. Every employer does that, and in New Hampshire you have thousands and thousands of prospective employers. I think it is a very proper thing. Look at the factual record.

QUESTION: What I am trying to drive at, the people who are driving the questions are not the voters, not the prospective employers, but your supporters, your employees, you might say. What the things your supporters are saying, get Mr. Reagan, are they yours?

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THE PRESIDENT: I don't think there has been any serious questioning by them. I understand a number of the New Hampshire State Legislators have raised most of the questions about the \$90 billion proposal. That is what I understood the thrust has come concerning that proposal because those State Legislators, if they don't get the money from the Federal Government for these many programs, they either have to cut out the services to the people of New Hampshire or raise New Hampshire's taxes.

I think those are very legitimate questions by responsible State Legislators.

QUESTION: Thank you, sir.

QUESTION: Ro Chamberlain, WUNH.

Mr. President, in your proposed 1977 budget, why have you given such a low priority to solar energy and energy conservation, allotting only \$91 million for energy conservation out of a \$1 billion 875 million ERDA budget?

THE PRESIDENT: I am very glad you brought that question up. Let's take solar energy to begin with. I may be a million dollars or so off, but in the current fiscal year for solar energy research, Government-wide, it is about \$84 million.

I increased it in the next budget by 35 percent, something over \$120 billion. I personally disregarded the recommendations of some of the people in the Administration who wanted to spend less money for solar energy, and I said no.

I personally increased in at least three cases extra research and development money for solar energy. It is the biggest solar energy program in research and development in the history of the United States.

Now, I don't recall precisely the figures for conservation, but on energy research increases across the board, we increased them over -- I increased them, with a submission of my budget -- by 30 percent. That is not bad -- geothermal, exotic fuels, solar, et cetera -- so we actually went beyond what many of the experts told me we ought to do in research and development, in fossil fuels, across the spectrum.

So, for research, for the new things that can be done to produce more energy other than gas and oil, which in the main we get from foreign sources, we have put forth the biggest research and development budget in the history of the country for energy progress.

MORE

QUESTION: But are you still giving more priority to nuclear energy and instead of something like recycling?

THE PRESIDENT: We, quite frankly, did put more money in for nuclear research and development for two reasons. We want to make any nuclear reactors in the future safe, and we want to make them more reliable, and Government research and development is the best way to do it.

That is why we put the extra money in for R and D for nuclear experiments. I think it is a good investment.

QUESTION: Mr. President, my name is Stewart Powell, and I am with UPI.

Can you tell us, please, what are the domestic and international consequences of the change of power in China, and whether you are upset by Nixon's visit there and, thirdly, whether you plan to consult with him personally or have any member of your Administration consult with him when he returns?

THE PRESIDENT: President Nixon, former President Nixon, is going to China as a private citizen. He was invited by the Government of the People's Republic of China. He called me Thursday or Friday, I guess Thursday, and notified me of his invitation from the Chinese and his acceptance.

I am delighted that his health is such that he can go. I asked him to extend to Chairman Mao and the other leaders my very best. We talked generally about his trip in 1972. There is no commitment on his part to report to me or on my part to ask him to report to me.

We will wait and see what happens on his return. Some 10,000 Americans have visited the People's Republic of China in the last three or four years. I think it is wholesome and healthy that private citizens undertake these trips.

I can understand the Chinese. He was very instrumental in helping to open up the relations between our country and their country. There is no political ramification at all. He is going as a private citizen, at their invitation.

I just learned late last night of the new acting Premier in the People's Republic. I have not had an opportunity thus far to get in full a report from the experts in the State Department and the intelligence community.

I think it is premature for me to make any comment until I have had the full benefit of the experts in this area.

MORE

QUESTION: Mr. President, Bob Murray, Foster's Daily Democrat.

Other than Secretary of State Kissinger, probably the hardest person to keep track of in the Federal Government has been Elliot Richardson. Under the Nixon-Ford Administrations, he has been Ambassador to Great Britain, Secretary of HEW, of Defense and now Commerce.

My question, sir, is, are there specific qualifications for these positions, and if so, has Elliot Richardson, does he and has he had the specific qualifications? And I would also like to know how high up he is on your Vice Presidential candidacy list?

THE PRESIDENT: Obviously Secretary of Commerce Richardson has many, many qualifications. Before he came to the Federal Government, he was an Attorney General for the State of Massachusetts. He was also Governor for Massachusetts. He had long had an interest in serving the Federal Government. He had many broad experiences in private life as an attorney. He is a very well educated, a very able, dedicated person.

And the fact that I had confidence in him as our Ambassador to Great Britain, to ask him to come back to be Secretary of Commerce indicates my strong feeling that he is an outstanding public servant.

I mentioned his name the other day among ten or maybe more prospective Vice Presidential candidates. I think that is a clear indication of my additional feeling concerning his capabilities, but to list them or to put him in a certain place on the ladder, I think is premature as far as Vice President is concerned.

QUESTION: Mr. Ford, are there specific qualifications for these top Government positions, and if there are, is Mr. Richardson that versatile to hold these different positions such a short period of time?

THE PRESIDENT: One of the very excellent qualifications he has is excellent administrative responsibility. He has always been known as an outstanding administrator, to get an organization working smoothly with a minimum of red tape, with the best service to the customers, so to speak, the American people. I think everybody would say that he has been and is today an outstanding administrator.

QUESTION: Thank you, sir.

MORE



QUESTION: Sue Roman, WTSN Radio.

Mr. Zarb was recently in New Hampshire lobbying for the deregulation of interstate natural gas prices, but your critics have charged that this will skyrocket prices, and they also say this is inconsistent with the continued regulation of gasoline and oil prices.

How do you defend this position?

THE PRESIDENT: The answer is very clear. You either deregulate natural gas and get more American natural gas or we buy more foreign oil. It is just that simple.

Now, I happen to think it's better to develop our own resources, and in the long run you won't pay significantly more, and we will not be at the whim and fancy of a foreign oil cartel.

Under the present circumstances, our domestic oil production is going down. Under present circumstances with regulation of natural gas, domestic gas production is going down. And if we don't deregulate natural gas, there will be in a relatively short period of time virtually no domestic natural gas, which means we have to buy more and more foreign oil.

I would rather use our natural gas rather than Arab foreign oil. And, therefore, I strongly feel that the deregulation of American natural gas is in the best interests of this country.

QUESTION: Thank you.

QUESTION: Douglas Cope, WHEB Radio.

Mr. President, there have been reports that the Soviet Union is using radiation listening devices in our embassy in Moscow. How will the presence of these listening devices affect Soviet-American detente?

THE PRESIDENT: I don't think that is a matter that ought to be discussed at this stage. I have heard rumors concerning it, but I don't think it is a matter that ought to be discussed at this point.

QUESTION: Will Mr. Kissinger be briefing you on this subject?

THE PRESIDENT: The proper authority in the Federal Government will.

QUESTION: Thank you.

THE PRESIDENT: If it is true, it's a very serious situation.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all very, very much. It's nice to be here. Have a good day -- the rest of it.

END

(AT 4:55 P.M. EST)

#26  
2/13/74



PRESS CONFERENCE NO. 26

of the  
PRESIDENT OF THE UNITED STATES

4:00 P.M. EST  
February 13, 1976  
Friday

In the Grand Ballroom  
At the Sheraton Orlando  
Jetport Inn  
Orlando, Florida

THE PRESIDENT: Thank you very much. Why don't we all sit down and relax.

Joe McGovern, members of the Sigma Delta Chi, my former colleagues in the House, Lou, Skip and Bill, distinguished guests, ladies and gentlemen:

I am extremely happy to be back in the Sunshine State and likewise, as far as the City of Orlando is concerned, I have been here a number of times, but before we begin the questions, I have one announcement.

The International Chamber of Commerce has decided to hold its 1978 annual convention here in Orlando. It is expected that the convention will generate about a million dollars for your local economy.

The United States Travel Service, a division of the Federal Department of Commerce, was instrumental in attracting this convention to the United States, and your own outstanding facilities made Orlando the final choice of the International Chamber.

I think this is an excellent example of how Government and the private sector can work together toward a common goal.

I congratulate the City of Orlando, and I am pleased that we were able to play a part in this successful venture and effort.

For those brief observations and that good news announcement, I will be glad to respond to the first question.

MORE

QUESTION: Mr. President, a two-part question, sir.

Since you took office, you have lashed out somewhat, of course, at Congress for its slowness in investment of a research and energy conservation plan. We now understand from ERDA that it will be possibly more than six months before the site for the solar research center is chosen and that politics has entered into the picture so much in that site selection that all the States in the Union may soon join in that competition.

The question is, sir, is the pot -- meaning the Ford Administration -- calling the kettle black?

THE PRESIDENT: Let me get to the process and procedure for determination for the site of the solar research center.

ERDA, under Dr. Robert Seamans, is in the process of preparing the criteria which will be distributed to all applicants for participation in the solar research center. It is expected that the criteria will be developed and made available within several weeks or a month.

Following that, any city, any State, any combination of Governmental units can apply on the basis of the criteria, the technical criteria that has been established by the Energy Research and Development Agency.

As I said, it will be two to four weeks before the criteria are out. It will probably be six months or so after all applications have been received before ERDA can make a final decision.

That decision will be made as rapidly as possible. We want to move ahead as quickly as possible because solar research and solar techniques are very important in our long-range energy program.

MORE

\* QUESTION: Mr. President, would it possibly be in the best interest of the country's taxpayers to develop the center here in Florida, in Brevard County, with the expertise of the Kennedy Space Center is nearby, and particularly as Broward County maintained a 17 percent or more unemployment rate?

THE PRESIDENT: Certainly, Broward County and the whole area have many, many assets that certainly will be important at the time they submit their application under the criteria established by ERDA. But it would be ill-advised and probably completely wrong for me to make any commitment on behalf of ERDA because that is a technical decision. I am sure that the application will be a good one. I am certain this area will get excellent consideration, but it would be, I think, wrong for me to make a decision other than to say I know you had lots of sunshine.

QUESTION: Mr. President, you have given the first of some special messages to Congress on the problems of the elderly. What kind of help do you propose to help Florida's many senior citizens?

THE PRESIDENT: In the first place, I fully agree with whatever the increases in Social Security benefits will be under the cost of living escalator clause. That will take place later this year. I fully concur with that.

Number two, I happen to believe it is vitally important for us to make certain that the Social Security Trust Fund is fully funded. At the present time, it is running in a deficit of about \$4 billion per year. Sometime in 1980, if we don't do something, the funds will be depleted. I have recommended one proposal to make sure--to make positive--that those who are retired and those who are to be retired will have a continuous flow of the benefits under Social Security.

Number three, I have recommended that we incorporate in the law a new program to take care of roughly the 3 million individuals, most of whom are among our older citizens, who are suffering from what we call catastrophic illnesses. At the present time, there is no program to take care of those who have expanded and serious illnesses. I have proposed a catastrophic health care plan that will take care of about 3 million people under Medicare. I think it is a good proposal and I hope the Congress will respond to it.

In addition, I have recommended good funding, I think, for what we call the Older Americans Act. It has a wide variety of services that are incorporated and I hope the Congress does as I have recommended in the funding of those programs.

MORE

QUESTION: On the health care plan you mentioned, Dr. Hobert Jackson, Vice President of the National Council on Aging, said in Gainesville that your health care program has some good concepts, but, in effect, it would help only one in every 300 people affected.

THE PRESIDENT: As I understand it, it would help, very specifically, 3 million out of roughly 24 million. Now the good part of it is that these 3 million are the ones who are most adversely affected by the cost of two, three and five years of extended care in mounting doctor bills. It seems to me that we ought to put special emphasis on taking care of those tragic cases where you have extended illnesses.

In the meantime, under Medicare, there still would be a health care program for those who participate. But we put a new tilt, trying to be helpful to the people affected with a catastrophic illness.

QUESTION: Mr. President, not too many years ago another American President put a challenge fourth to this country and put a man on the moon, technology met that challenge, as you know that task was met. The Project Independence was recently launched to make this country self-sufficient. This is failing and failing miserably. Why is it failing, Mr. President? Why can't this country be energy self-sufficient and would you put a timetable on that?

THE PRESIDENT: In January of 1975 in my State of the Union Message I laid out a ten year program. I have a number of specific items that, if Congress would respond, we could become energy independent in ten years, by 1985. Unfortunately, the Congress dilly-dallied, day after day after day, and finally in December they passed a partial answer to the request that I had made in January. The bill which I signed is a base from which we can operate. It provides for some conservation. It provides over a 40-month period, for increased production, domestically, and it has some conservation features.

On the other hand, it has done nothing to deregulate natural gas. Tragically, we had a setback a week or so ago in the House of Representatives, but we hope we can retrieve that. That would be something that I recommended Congress should do. In addition, I have recommended for the Energy Research and Development Program \$2 billion, 900 million. It is about a 30-some percent increase in research and development funds for energy, including solar, geothermal, fossil fuels, nuclear energy. And if Congress appropriates the money, it will move us ahead in those fields as well as several other exotic fields. In the case of solar energy, the increase in research and development funds was over 40 percent. So we are trying to move ahead in conservation, in increased domestic production, the greater utilization of coal in research and development for the long term. Although the Congress did not respond as well as I would have liked last year, I think we will make more headway in 1976.

QUESTION: Do you have any timetable in mind on that, sir?

THE PRESIDENT: If the Congress would pass all the things I recommended, we would be well on our way to energy independence by 1985. Even though they have been a little slow, I am always an optimist that they will begin to move.

QUESTION: Mr. President, I have a two-part question concerning UN Ambassador Daniel Moynihan. Would you comment on James Reston's report that while you were publicly praising Ambassador Moynihan, you and Secretary Kissinger deplored his actions?

THE PRESIDENT: Secretary Kissinger and myself, both publicly and privately, repeatedly endorsed the positions that Ambassador Moynihan took and the way he handled his job as Ambassador to the United Nations. I think the best evidence of that is what Ambassador Moynihan said on many occasions subsequent to his letter of resignation where he fully indicated that I had supported him, that Secretary Kissinger had supported him. I think the new Ambassador who will succeed him will carry out the same policy or policies of strength in the United Nations, trying to break up the block voting, making certain that the position of the United States is strongly put forward and that we don't take a back seat to anybody.

Pat Moynihan did a fine job and his successor will, too.

QUESTION: Along that same line, on the question of appointment for a new UN Ambassador, the Sentinel Star here in Orlando has called on you editorially to appoint an eagle and not a pigeon. Which will it be?

THE PRESIDENT: The first Ambassador I appointed to the United Nations was Pat Moynihan. I guess Pat would fall under the heading of an eagle and I can assure you, as I said a moment ago, that his successor will be just as strong, just as firm, as Pat Moynihan.

MORE

QUESTION: Mr. President, you already touched on deregulation of natural gas. The oil industry is pushing Congress and Government to deregulate natural gas. This would increase the cost to user States like Florida considerably. It would go at least from 50 cents to \$2.00.

Now what effect would this have on consumer prices and what effect would it have on the people of Florida?

THE PRESIDENT: I think it really comes down to this. We either have American natural gas or you use foreign oil. I think the American people would rather have American natural gas than to pay high prices they are paying for Middle Eastern oil at the present time. If we deregulate natural gas in the United States, we will increase the supply and the price increase will be moderate, and we will control it, but if you rely and continue to rely on Middle Eastern oil, the price is out of our control. It is in the hands of the Arab OPEC nations.

So I would rather put my gamble on American products right here at home than to depend on the whim and fancy and the price increases of Arab oil.

QUESTION: Do you think natural gas would replace a lot of oil supplies?

THE PRESIDENT: I think if we give the people who are seeking to develop more American gas and oil wells--if they have a fair price--will develop a greater source of supply. No question about it. But if we keep the price down, it is uneconomical for them to drill. We have to give them an incentive. And I would rather give the incentive to American oil and gas people than I would to OPEC Arab oil drillers.

That is just what it amounts to.

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QUESTION: Mr. President, I am from your home area, Traverse City. I interviewed you before you were President. It is nice to see you as President.

Secretary of the Treasury William Simon was here yesterday, and he mentioned he would like to see income tax -- a personal income tax -- based on a straight, no deduction percentage.

Was that his idea or was that a trial balloon he is sending up for the Administration?

THE PRESIDENT: The Secretary of the Treasury, who is a most able member of my Cabinet, has talked to me about this proposal. I think there are some good features in it. But, I think it ought to be researched more. I think it ought to be staffed, as we say, among more people than just one individual.

Such a study, if it is not already underway, will get underway, but I think it is premature to make any commitment until we have a final evaluation. I can tell you that Secretary Simon is pushing it, but we have not given any green light to the submission as far as the Congress is concerned.

QUESTION: The second part of the question might be, do you have a tax revision plan?

THE PRESIDENT: The Secretary of the Treasury has testified on a number of occasions before the House Committee on Ways and Means, and I think the Senate Finance Committee, with some guidelines of this Administration concerning tax reform and tax revision.

The House has passed a bill. We like some of it. We don't like other parts of it. We think the Internal Revenue Code could be simplified. But, we are working with the Congress not only on our ideas but some of the things that have come out from the Department of the Treasury.

In the State of the Union Message that I gave a month or so ago, I did recommend some tax changes, one of them to provide an incentive to industry to build new plants, buy new equipment in high unemployment areas, giving them a more rapid amortization.

I also recommended tax changes that would permit individuals to buy stock in American corporations to become owners and get a tax deferral during that period of time. I think we ought to broaden the ownership of American industry. That was another tax proposal, and we will be coming forth with some others as the session progresses.

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QUESTION: Mr. President, we are told you are only going to make two visits to Florida before the March 9 primary. Are you confident that only four or five days of campaigning in Florida can win you the primaries, especially when most political observers see the Ford-Reagan contest as a toss-up in this State and that many reports have surfaced that your Florida campaign is in disarray?

THE PRESIDENT: Let me make two very categorical comments.

Number one, I think I will do well in Florida.

Number two, my campaign organization is in good shape.

Lou Frey has done a good job. We have supplemented his staff with some additional people because it is getting closer and closer to March 9. Therefore, I think our Florida organization will do a good job, and I think we will win in Florida.

Now, I happen to believe that coming down here on this trip and possibly another one is important. That is why I am here. But, I must say my principal job is to continue to be an effective President.

It is more important that I attend to the many, many responsibilities as President and on weekends or on quick trips I will try to come down, as I am on this occasion.

But, my principal responsibility is to make sure that our domestic and international policies are carried out in the best interest of the country as a whole.

QUESTION: Today you vetoed the \$6 billion public works bill that was designed to create 600,000 new jobs. Are you confident that the Nation is making a good enough economic recovery that no new Federal jobs program will be needed?

THE PRESIDENT: Let me say we have had some excellent news last week. We got an indication that the unemployment rate had dropped by half a percentage point, the best record in 16 years of a drop. In addition, we have 800,000 more Americans gainfully employed in January than we had in December, and two million, 100 thousand more since last March.

The unemployment trend is down. The employment trend is up, and we are very encouraged. Then we had some good news this morning.

MORE

The Wholesale Price Index showed no increase, which means that no increase in January, 1.4 percent minus in December and a zero increase in November. So, for the last three months, a quarter of a year, we have had a minus movement as far as the Wholesale Price Index is concerned.

So, both employment and unemployment and the Wholesale Price Index were doing very well, and I am optimistic that if we keep the economy going the way it is going, there is no need for a \$6 billion inflationary, so-called jobs bill.

It seems to me if you add \$6 billion to the Federal deficit, which that bill would do, all you are doing is helping to reignite the fires of inflation. In that bill for every job it will cost the Federal Government \$25,000.

I think the better way to solve unemployment is to make certain that the private sector of our economy, where five out of every six jobs exist, gets some inspiration and some incentive and, if the Congress would pass the tax proposal that I recommended, we would be a lot better off in this, I think, inflationary, so-called jobs bill.

QUESTION: Mr. President, Senator Tower of Texas was in Orlando campaigning on your behalf earlier this week. During a news conference here he said your candidacy could survive a loss here in Florida but Ronald Reagan could not.

The first part of my question is do you agree with his assessment, and the second part of my question is what effect would a Reagan victory in Florida have on your candidacy?

THE PRESIDENT: It would be a disappointment because I think we are going to do quite well here. But, losing Florida -- and I say again I don't think we will -- but losing Florida won't deter me one bit from continuing the effort right up to the last vote in Kansas City in August.

I am going to be in this ball game up until the whistle blows, so I think we are going to win in Florida. Even if we lose, we are going to keep campaigning, and we are going to keep in the ball game, and we are going to get the nomination.

QUESTION: As to a possible victory by your campaign here in Florida, what effect would that have on Ronald Reagan's candidacy?

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THE PRESIDENT: I am not really the best judge of what the former Governor will do. I think it will be a very serious disappointment to him, but I would not want to prejudge what his actions might be subsequent to that.

QUESTION: Mr. President, Governor Reagan's Florida campaign manager said this week you were trying to buy votes by offering an Administration post to a prominent Florida conservative, Jerry Thomas, who endorsed you this week. Have you offered him a post, and what is your reaction to the Reagan campaign's charge?

THE PRESIDENT: I first want to say I have known Jerry Thomas for a long time. I campaigned with him when he ran for Governor several years ago. I was trying to help the Republican Party down here in Florida. He was the candidate for Governor.

I was impressed with him then and I have been impressed with him all along. We talked to him some months ago about joining the Ford Administration. It looks like such a possibility will take place.

I think he will make an excellent top executive in the Administration, and I am very honored and very pleased with his endorsement because I think he is a successful State Legislator.

He was a good candidate for Governor, and he has been a very successful businessman, and I think we will be lucky to get him, and I am very pleased with his endorsement. I think the charges by some campaign manager are completely without foundation.

QUESTION: Mr. President, all of the candidates who have campaigned in central Florida have criticized your policy, the Administration policy concerning detente with the Soviet Union, and in particular Mr. Reagan said last week the only thing detente has accomplished is our ability to sell Pepsi Cola in Siberia.

conduct      Just how do comments like this affect the  
   of American foreign policy?

THE PRESIDENT: First, let me say I am very proud of the accomplishments of our American foreign policy. We are at peace. We are at peace because we are strong.

I have submitted strong, affirmative Defense Department budgets to the Congress so we will stay strong.

MORE

With that kind of military capability, we have been able to implement a policy of peace with strength in foreign policy. Since I became President 18 months ago, we have strengthened our alliance in Western Europe. It has never been better.

Our relations with Japan, a very important ally in the Pacific, are excellent. We have been able to reaffirm our relations with our many other friends around the rest of the globe.

We have made tremendous success in diffusing the volatile situation in the Middle East. We were able, because we were strong, to have the confidence of both Israel on the one hand and Egypt on the other. That is a tremendous stride forward under this Administration in foreign policy, and we will make other successful efforts in that area.

We have maintained a growing relationship with the People's Republic of China. At the same time, we have been able to negotiate with strength with the Soviet Union. We are negotiating right now to put a cap on the nuclear arms race.

If an agreement is reached, it will be an agreement beneficial to us, equally beneficial to the Soviet Union will be an agreement that will keep our powder dry and not put our finger on the nuclear trigger, and it will relax tensions between the two superpowers.

That is the kind of a foreign policy that is in the best interest of the United States. I won't comment on any rhetoric concerning the policy that has been successful. I am proud of it. I think most Americans are proud of it, and they should know that it will continue, a policy of peace with strength under the next four years with the Ford Administration.

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QUESTION: Mr. President, do you feel like the comment, however, by Mr. Reagan in particular violates the so-called 11th Commandment that he has pledged to abide, that he will not speak evil of you during the campaign?

THE PRESIDENT: Well, things get disappointing and I think people forget what they might have said at one time and so it does not bother me. I just want the public to know we have a good foreign policy. We are going to keep it good and we are not going to worry about some campaign rhetoric.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, do you agree with Secretary Kissinger's comment that the House Intelligence Committee report represents to many a new brand of McCarthyism?

THE PRESIDENT: I think that is a fairly accurate description. I think that that committee report, which the House of Representatives said should not be published by better than a two to one vote, having been leaked, is an unfair, unjust way to criticize an individual or a policy. And I think it certainly falls within the parameters of McCarthyism.

Let me just add this: Under this Administration we are going to have a strong intelligence community and we are not going to permit the Congress to dismantle America's intelligence community.

You were going to ask another question?

QUESTION: I was going to ask you if you agree with the proposal for one intelligence oversight committee for Congress?

THE PRESIDENT: I am going to make some recommendations to the Congress very shortly involving the entire intelligence community, but I should say that over the years I have been very sympathetic to a joint House-Senate intelligence committee. I am not saying we are going to recommend that because that is a prerogative of the Congress, not a prerogative of the Executive Branch, but I think there is much merit to that proposal.

QUESTION: Mr. President, were you made aware of former President Nixon's visit to China before, and, if so, how. And, also, does that visit have any effect on U.S. foreign policy with China and the Soviets?

THE PRESIDENT: The day that President Nixon called me and told me that he had been invited as a private citizen to the People's Republic of China, I had heard some advance notice that day, but I got the specifics on the phone call that he made to me in mid-afternoon that particular day.

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He is going as a private citizen at the invitation of the People's Republic. I have said before and I will repeat here, I have no particular reaction, pro or con, concerning that private visit.

QUESTION: If we could talk about detente again. Do the statements made by your opponent and some of the Democrats, and, in particular, Henry Jackson, do they adversely affect U.S. foreign policy?

THE PRESIDENT: I think nitpicking of an American foreign policy, does not help, although I think our allies understand what is going on. They have lived through American political campaigns before. All we can do is to talk affirmatively and deal straightforwardly with our allies as well as our potential adversaries. I think it would be better if it was not made a campaign issue, as some are making it, but we have a free country and if they want to make it a partisan political issue or a political issue, they can do so. But I want the American people to know that we have a good foreign policy. We are going to keep it up by peace through strength.

Thank you all very much.

END (AT 4:37 P.M. EST)

#27  
2/17/76





PRESS CONFERENCE NO. 27

of the

PRESIDENT OF THE UNITED STATES

8:00 P.M. EST  
February 17, 1976  
Tuesday

In the East Room  
At the White House

THE PRESIDENT: Good evening. Won't you all sit down, please.

For over a year the Nation has engaged in exhaustive investigations into the activity of the CIA and other intelligence units of our Government. Fact, hearsay, and closely held secrets -- all have been spread out on the public record.

We have learned many lessons from this experience, but we must not become obsessed with the deeds of the past. We must act for the future.

Tonight I am announcing plans for the first major reorganization of the intelligence community since 1947.

First, I am establishing by Executive Order a new command structure for foreign intelligence. Henceforth, overall policy directions for intelligence will rest in only one place: the National Security Council, consisting of the President, the Vice President, the Secretary of State and Secretary of Defense. Management of intelligence will be conducted by a single new committee. That committee will be chaired by the Director of Central Intelligence, George Bush. To monitor the performance of our intelligence operations, I am creating a new independent Oversight Board to be made up of private citizens. Former Ambassador Robert D. Murphy will chair the Board and two other distinguished citizens -- Stephen Ailes and Leo Cherne will be the members. All of these units, the National Security Council, the Committee on Foreign Intelligence and the Oversight Board -- will be responsible to me, so that the President will continue to be ultimately accountable for our intelligence activities.

Second, to improve the performance of the intelligence agencies and to restore public confidence in them, I am issuing a comprehensive set of public guidelines which will serve as legally binding charters for our intelligence activities. The charters will provide stringent protections for the rights of American citizens. I will soon meet with Congressional leaders to map out legislation to provide judicial safeguards against electronic surveillance and mail openings. I will also support legislation that would prohibit attempts on the lives of foreign leaders in peace time.

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Third, tomorrow I will send to the Congress special legislation to safeguard critical intelligence secrets. This legislation would make it a crime for a Government employee who has access to certain highly classified information to reveal that information improperly.

I have been guided by two imperatives. As Americans we must not and will not tolerate action by our Government which will abridge the rights of our citizens. At the same time, we must maintain a strong and effective intelligence capability in the United States. I will not be a party to the dismantling of the CIA or other intelligence agencies.

To be effective, our foreign policy must be based upon a clear understanding of the international environment. To operate without adequate and timely intelligence information will cripple our security in a world that is still hostile to our freedoms.

Nor can we confine our intelligence to the question of whether there will be an imminent military attack. We also need information about the world's economy, about political and social trends, about food supply, population growth and certainly about terrorism.

To protect our security diplomatically, militarily and economically, we must have a comprehensive intelligence capability. The United States is a peace-loving nation and our foreign policy is designed to lessen the threat of war as well as aggression. In recent years we have made substantial progress toward that goal -- in the Middle East, in Europe, in Asia and elsewhere throughout the world.

Yet, we also recognize that the best way to secure the peace is to be fully prepared to defend our interests. I believe firmly in peace through strength. A central pillar of our strength is, of course, our armed forces. But another great pillar must be our Intelligence Community -- the dedicated men and women who gather vital information around the world and carry out missions that advance our interests in the world.

The overriding task now is to rebuild the confidence as well as the capability of our intelligence services so that we can live securely in peace and freedom.

And now ladies and gentlemen, your questions.

Mr. Cormier.

MORE

QUESTION: You have been talking lately, including tonight, about the need for a strong intelligence capability. You have appointed a Director of Central Intelligence who has little or no intelligence expertise that I am aware of and I wondered what do you see as the advantages of having a relative novice directing the intelligence community?

THE PRESIDENT: I respectfully disagree with your assessment of George Bush's capabilities and background. George Bush was our U.N. Ambassador and did a superb job at the United Nations. George Bush was our representative in the People's Republic of China and in that capacity did extremely well.

I have known George Bush for a number of years. I served with him in the House of Representatives where he did a very fine job. I am absolutely convinced he will perform superbly as the Director of the Central Intelligence Agency.

QUESTION: Mr. President, are you arguing that he has intelligence, an intelligence background?

THE PRESIDENT: I think he has the intelligence to do the job and the experience in foreign policy and I think these are major ingredients that make him an outstanding person for this responsibility.

QUESTION: Robert Strauss has suggested that it might behoove you to ask former President Nixon to postpone or cancel his trip to China. There are also reports that you are unhappy because it coincides with the New Hampshire primary. Do you have any plans to ask him to put off the trip?

THE PRESIDENT: I have no such plans. Mr. Nixon is going to the People's Republic of China as a private citizen at the invitation of that government. I don't believe for any alleged political purposes that I should intervene with the invitation of a foreign government to have a private American citizen visit that country.

QUESTION: But if the Chinese Government sends a special plane which lands at a military airport, asks for the top media in this country to cover him, some twenty representatives. You send your special briefing books on the change in leadership and it still is a private trip in their eyes?

THE PRESIDENT: Let me answer several of those questions. You have asked a good many of them.

First, there has been no special briefing given to Mr. Nixon. He has received periodic briefings or information concerning world affairs from the national or Federal Government. There was no special briefing given to him in relationship to this trip.

Whether or not he will land at a civilian or military airport has not been determined. It is a decision on the part of the Chinese Government as to where they would like to land and they have to ask us which of several airports. If and when we get a specific request, we will act on it.

QUESTION: Mr. President, at first reading on your reform of the Central Intelligence Agency you seem to be putting the Agency more under the dominance and more under the control of the office of the Presidency and we know that office has abused the CIA in the past, and I am wondering what you have done to make sure that does not occur again since you are not apparently making an outside agent, outside of the White House, responsible for the CIA?

THE PRESIDENT: I think a President ought to be accountable, and what we have sought to do in this case is to make the process and the decision-making fall on the shoulders of the President, he will be held accountable by the American people. In each of the cases, of the Director of the Central Intelligence and or any of the other intelligence agencies, the directives or the guidelines will hold special individuals accountable for what happens in their particular area of responsibility, but the final and the ultimate responsibility falls on the shoulders of the President and, in my case, I am willing to assume that responsibility and I can assure you it will be handled in the most appropriate way.

QUESTION: If you are setting a precedent, though, for future Presidents by giving them more authority over the CIA, would you agree it also invites the prospect of a temptation for abuse of the CIA?

THE PRESIDENT: It should not happen, and I would hope that the American people will elect a President who will not abuse that responsibility. I certainly don't intend to.

QUESTION: Mr. President, last weekend in Florida you suggested that anyone to the right of you politically could not be elected as President. Newsmen assumed you were referring to Ronald Reagan but you were not entirely specific, and I would like to pin you down now.

Do you believe that Reagan is so far to the right that he cannot win a national election and, if you do believe that, I would like to know what you base your opinion on, especially in light of the fact that he was twice elected Governor of the most populous State in the country by a large margin?

THE PRESIDENT: I was referring to anybody in either political party who is to the right of me, and there are some in the Democratic Party and some -- I think Governor Reagan is to the right of me philosophically. It seems to me that there are some differences, for example, between Governor Reagan and myself.

MORE

Let's take the issue of Social Security. He has suggested from time to time that it ought to be voluntary, not mandatory as it is under the existing law. He has suggested that maybe the funds from the Social Security program ought to be invested in the stock market. I disagree with both of those proposals. I believe in the firm integrity of the Social Security program and the way I have suggested, it seems to me, is the better approach.

Governor Reagan has suggested a \$90 billion cut in Federal expenditures transferring the responsibilities and the programs to the local and State officials where they either have to abandon the programs or raise taxes to support them. I disagree with that approach.

I think that a better way to do it is to take the Federal funds and transfer them to the State and local units of government so that those services can be provided at the State and local level much more effectively.

These are some of the differences that exist between Mr. Reagan and myself. It is a somewhat different philosophy.

QUESTION: Specifically, do you believe he cannot win a national election?

THE PRESIDENT: I believe that anybody to the right of me, Democrat or Republican, can't win a national election.

QUESTION: Mr. President, are you ready to say now flatly that you are confident of winning the New Hampshire and/or the Florida primary?

THE PRESIDENT: I think we will do well in both. I certainly was greatly encouraged by the two days we were in Florida last weekend. The crowds were very large. The enthusiasm of not only my party workers but the public generally was extremely encouraging. We are going to New Hampshire on Thursday and Friday of this week and I am led to believe that we will be warmly received there. So I am encouraged in both cases.

QUESTION: Do you expect to win?

THE PRESIDENT: When I say I am encouraged, I think that is quite indicative that I think I will do very well.

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QUESTION: Mr. President, your opening remarks concerning the Central Intelligence Agency sounded considerably like an Official Secrets Act which applies in Great Britain. Now this Act has been criticized as being beyond the Constitutional realm that we apply here in the United States.

First of all, do you agree with that assessment? And secondly, wouldn't -- if you received this kind of legislation, wouldn't this in the future prevent the kind of disclosures which have brought out the abuses in the Central Intelligence Agency?

THE PRESIDENT: I categorically disagree with your assessment. It is a great deal different from the Official Secrets Act that prevails in Great Britain. As a matter of fact, this is much more restrictive on the foreign intelligence community in the United States than anything that has been in existence in the past.

There are a number of specific limitations as to what foreign intelligence agencies in the United States can do. They are spelled out and there is an official charter for each one of the intelligence agencies.

I am recommending to the Congress several very specific pieces of legislation which are, I think, constructive and quite contrary to the impression you left with your question.

For example, I am recommending that the Attorney General proceed to work with the Congress to establish legislation for electronic surveillance so that he, representing the Administration, would have to go to the Court to get the authority even in national security matters. Under the present setup the Attorney General can simply do it without going to the Court if it involves national security. This is quite contrary to the impression that you raised with the question that you asked.

So I think we are going down the middle trying to make certain and positive that the intelligence capability of this country is first class and, at the same time, that the rights of individuals are adequately protected.

QUESTION: The second part of my question, Mr. President was whether the legislation to prevent leaks in the third point of your opening remarks would not mean that the United States would once again be subjected perhaps in the future to abuses that had been exposed through the fact that people were not put in jail by leaking information?

THE PRESIDENT: Well, under the organization that I have established or will establish tomorrow, and under the legislation that I have recommended, there won't be any abuses and the people, if there are any abuses, will be held accountable. So I don't feel all that apprehensive that what happened in the past will be repeated in the future.

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QUESTION: Mr. President, your financial statement that was released earlier in the week shows that, despite some very heavy tax bites for Federal and State taxes, you ended up with about \$135,000 in expendable income last year. It also showed that you made no investments and that you were not able to save any of that. Can you tell us how you can spend \$2600 a week when you don't have to pay any rent or any mortgage payments? (Laughter)

THE PRESIDENT: I am glad that you were scrutinizing my complete and full disclosure of my financial activities. Let me say this: During that period of time, I had at least three of my four children in college and most of you know that that is not a cheap operation. I paid for it, they didn't borrow any money, they didn't get any scholarships, et cetera. That accounts for part of it.

And, quite frankly, I have sought to help my children so that at the time when I am no longer in a position to help them financially, I have made some investments for them, which is perfectly permitted under our laws of this country.

So between supporting them in college and trying to help them get a start when they get through college, I think we can account for every penny.

QUESTION: Mr. President, you have not said anything about Members of Congress who reveal classified information. Does that concern you?

THE PRESIDENT: It does, and we have had some experiences, and I am not pointing a finger at anybody, but certain information which we supplied to the Congress -- to the House of Representatives -- to a committee of the House -- somehow either through a Member or through a staff member, highly classified material has been made public. This is something that the Congress, I think, has to address itself to. The Constitution protects a Member of the Congress, but it does not protect the illegal making of such information public for a staff member. I think the Congress has to clean up its own house and I have urged them to do so, and I hope they will.

QUESTION: Mr. President, will they take some steps in that direction -- will this affect your providing classified information to Capitol Hill?

THE PRESIDENT: In the case of most committees, we have had no trouble whatsoever. There has been good cooperation. Arrangements have been lived up to. On the other hand, even after the House of Representatives, by almost a two to one margin, said a report that had highly classified information in it should not be released, it was leaked to certain individuals and to certain publications.

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I think the House of Representatives ought to take some action. We have agreed to cooperate with them in whatever legal way they would ask us to do so, but I think it is a very serious matter, what happened in this one case.

QUESTION: Mr. President, will your new Oversight Board supercede the 40 Committee?

THE PRESIDENT: No. We have an Oversight Committee composed of three members: Ambassador Murphy, Steve Ailes and Leo Cherne. That is a group that looks to make certain that there are no violations of the new restrictions and has an oversight responsibility working with the Inspector Generals in each of the intelligence agencies.

The 40 Committee is having a name change and some change in personnel. It will now be given a new name, but it will have on it the following people. It will have the Assistant to the President for National Security Affairs, it will have the Secretary of State, the Secretary of Defense, the Director of Intelligence, George Bush, the Chairman of the Joint Chiefs of Staff. It will have two observers--one, the Attorney General, and, two, the Director of the Office of Management and Budget.

So there are two separate organizations--the one I just described to handle covert operations recommended to the National Security Council and to me as President, and the Oversight Board, which will check up on any abuses.

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QUESTION: Mr. President, in your opening statement on intelligence, you said that you would support legislation that would prohibit attempts on the lives of foreign leaders. Was it your intention to leave open the possibility of attempts on the lives of people in other cases, that is people who are not leaders and, if so, will your specific guidelines to the intelligence community address themselves to this problem?

THE PRESIDENT: I have said previously that I would not condone or authorize assassinations, period, certainly not in peace time. So the legislation I trust will follow those guidelines.

QUESTION: Mr. President, to turn to another subject, unemployment, in your State of Michigan it covers around 13 percent, which is above the 8.5 national average and you are vetoing the Public Works bill. As a compromise, do you smile upon Senator Griffin's Bill as a compromise?

THE PRESIDENT: I think it is a far better piece of legislation than the legislation that the Congress passed and I have vetoed. The bill that came down to the White House really is a hoax. It is a campaign year document. It allegedly says it will provide 800,000 jobs. The truth is it will provide no more than 100,000 or 120,000 jobs at a cost, and this is the unbelievable part, of \$25,000 per job.

Now, we can do a better job using that money elsewhere.

So I vetoed it. I hope that we can get it sustained and, if the Congress comes back with a proposal recommended by Senator Griffin and Congressman Gary Brown, which provides for the channelling of Federal funds of significantly less amounts into programs that are ready to go at local levels in areas where the unemployment is over eight percent and as long as the national unemployment is over seven percent, it would provide for about \$750 million.

It could be done quickly. It could be done much more cheaply and it will be far more effective.

Now, it seems to me that the bill that I vetoed cannot be defended in any way whatsoever. The cost is high per job. It will be late in being implemented. Actually the jobs won't be available for almost nine months to 18 months. We hope and expect to be out of the problems we are in, significantly by that time.

So the alternatives suggested by Senator Griffin and Congressman Brown are far better.

QUESTION: Mr. President, you made no reference in your opening statement to abuses by the FBI and some of the greatest abuses in the intelligence gathering were conducted by that agency. What do you have in mind for putting more severe controls on the FBI in intelligence gathering?

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THE PRESIDENT: The Attorney General is in the process right now of writing very strict guidelines involving the activities of the FBI, and he expects to have those guidelines available and in place and effective within a relatively short period of time and those guidelines will take care of the problems that you have raised.

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QUESTION: Mr. President, as I understand it then, those guidelines would be the result of Executive action and, as I understand it as well, much of what you propose here this evening will be the result of the Executive action, some of which you have already taken. Do you foresee no role for the Congress in oversight of intelligence-gathering activity at the time that it is going on, either foreign or domestic?

THE PRESIDENT: I will issue Executive Orders involving the foreign intelligence agencies. The Attorney General will do it as it affects the FBI. The Congress, I hope, will establish a Joint Committee along the format of the Joint Atomic Energy Committee and this committee called -- if this is the proper title, it is up to the Congress, of course -- the Joint Intelligence Committee, would have an oversight responsibility as to the programs and the performance of the intelligence communities in the Federal Government.

QUESTION: Mr. President, following up on Helen's question, you were asked about the Nixon trip last weekend and you said in part that it was "wholesome and healthy for private citizens to make these sorts of trips to China." You have mentioned again tonight that former President Nixon is going as a private citizen. With all due respect, Richard Nixon is not exactly your run-of-the-mill private citizen. I would like to ask if you really think it is wholesome and healthy for the conduct of American foreign policy for Mr. Nixon to be making this trip?

THE PRESIDENT: He is not going there involving any foreign policy matters. He is going as a guest of the Chinese Government and he is going as a private citizen. He has not had any special briefings. He is going under the guidelines that I suggested.

QUESTION: You see no complications at all to foreign policy in his trip?

THE PRESIDENT: None whatsoever.

QUESTION: Mr. President, you are concerned considerably over leaks of classified information, national security information and so on. I would like to ask what steps you are taking to assure the public that no one in your Administration misuses the classification system or the secrecy label to cover his own policy mistakes.

THE PRESIDENT: The recommendations that I will make include that every employee of the Executive Branch of the Government sign a statement to the effect that he will not divulge classified information and that he expects punishment for such a release of that information. In addition, I will ask for specific legislation making it a criminal offense for the release of such information and that, I think, protects the Government against any unauthorized leaks of classified secret information. Now, the Oversight Board and the NSC will take care of any failure to act properly in a non-criminal matter.

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QUESTION: I would like to ask the question again because I think that perhaps we are talking about two different things.

Suppose, for example, a member of your Administration misused the label "Official Secrecy" to cover a policy error or a mistake that he made and clamped a secret label on it so that this mistake would not get out. What steps are you taking to assure the public that this does not happen?

THE PRESIDENT: We have made the head of the Central Intelligence Agency, the head of the Defense Intelligence Agency, the head of the other agencies responsible for the conduct of people working for them and we have an Inspector General system that I think will make sure that the other people do their jobs properly.

QUESTION: It is my recollection, Mr. President, that a couple of weeks ago in an interview with Walter Cronkite you said that there were no real philosophical differences between yourself and Ronald Reagan. I just wonder, when did you decide that there were some differences?

THE PRESIDENT: Fundamentally, I don't think there are any philosophical differences. There are some pragmatic differences, and these I tried to explain earlier today. I have to make hard decisions as to what legislation I will sign or what legislation I will recommend. That is quite different from being able to propose a plan or a program in words. One is a very hard decision; the other is very easy to say. And I tried to illustrate those pragmatic differences in the carrying out of a basic and moderate conservative philosophy.

QUESTION: But you are saying, when he is much to the right of you, that that is not a philosophical difference then?

THE PRESIDENT: I think he is to the right of me in a pragmatic and practical way.

QUESTION: Mr. President, during the Nixon Administration guidance was issued to Federal Executives that their activities should never support or appear to lend support to private organizations which practiced exclusionary discrimination. Does your Administration follow that same rule?

THE PRESIDENT: Was that an Executive Order?

QUESTION: It was an order that Federal Executives' activities should never lend support or appear to lend support to private organizations which practiced exclusionary discrimination.

MORE

THE PRESIDENT: I would assume that we carry out the same policy.

QUESTION: Then, can I ask you, Mr. President, why, then, you lend the prestige of your high office to discrimination by golfing at Burning Tree Country Club which excludes women?

THE PRESIDENT: Well, there are no Federal funds go to Burning Tree.

QUESTION: Mr. President, on food prices it is reality that each year, not seasonal and not monthly but each full year food prices go up as part of inflation. Now addressing yourself to the housewife and rising food prices, can you say to her that is something she should accept as a normal way of life or can you project one year, two years or what, that inflation will end on food and come back to what is called normal?

THE PRESIDENT: We have made some substantial progress in combatting inflation. When I became President the cost of living was over 12 percent. It is down in the range of about 6 percent at the present time.

We had some very good results announced last Friday in the wholesale price index. As a matter of fact, as I recall, the food factor in the wholesale price index as reported last Friday was a minus, not an increase. I think we are getting a good, effective handle on the question of inflation -- not as good as we want but we have cut it over 50 percent since I have been President and we are making increased progress in this regard.

I think that we are achieving, particularly in the area of food, a better balance than we have had for a long, long time.

QUESTION: That is why in my original question I ruled out seasonal or monthly. The reality is that over the years food prices continue to go up. The price may remain the same, Mr. President, on an item, but the quantity has been diminished.

THE PRESIDENT: Well, when I became President, as I recall the food prices that year had gone up something like 20 percent. It is now estimated that food prices in this calendar year will increase somewhere between 4 and 5 percent. That is a significant improvement. I think it ought to get a little praise rather than condemnation. From 20 percent down to 4 or 5 percent is a lot of progress.

THE PRESS: Thank you.

END (AT 8:30 P.M. EST)