

**The original documents are located in Box 42, folder “11/9/74 - Thomas Interview (cancelled) (1)” of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.**

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POSSIBLE QUESTIONS FOR HELEN THOMAS INTERVIEW

From Paul Miltich

1. What do you think was the reason for the low voter turnout last Tuesday? What do you think the mood of the American people is at this point in our history?
  - A. Regrettably, I think a great many Americans feel that it makes no difference whether they go to the polls or not. They have lost faith in government. I think this is a mistake. Our system operates on the basis of fullest possible participation in the electoral process. It operates best when the greatest number of eligible voters possible go to the polls. We can solve our problems, but we need the help of the American people to do so.
  
2. In view of the Democratic gains last Tuesday, do you think we now are going to have a legislative dictatorship in the Congress.
  - A. I would hope not. There is some comfort in the fact that members of a political party do not always vote the party line. And, of course, the Democratic gains last Tuesday were not as heavy as some observers had predicted. So I think that I can continue to work with the Democratic Congress, and if I get the kind of cooperation the American people would like the Democratic leaders to provide we can still enact some worthwhile programs.
  
3. What do you think the new complexion of the Congress means as far as your economic program is concerned?
  - A. Nobody has come up with a better plan, and so I still believe my program will be adopted in pretty much the same form as submitted. It is designed to deal with the economic situation as I see it -- a combination of inflation and a slump in the economy.
  
4. Mr. President, you have been refusing to concede that we are in a recession. Do you still maintain that we are not in a recession?
  - A. We have problems; it is not important what label you hang on them. We can solve those problems if the Congress will cooperate with me and enact my economic program.

Greenspan, Seidman, and Simon have approved the following:

As of Sept. all the evidence indicated we were not in a recession at that time. The data shows the situation has eroded since then. By the time the Nov. statistics are in and analyzed, it will probably appear that we are, this month, moving into a recession.

The latest official data that have been published shows we were not in a recession. But the next set of figures will probably appear that we are entering a recession. Although the data probably will show a recession, it is an unusual recession in that we have high inflation. It should be noted that my advisers predicted that conditions would be about what they are now when we put together my 31 point program.

5. Mr. President, you recently spoke about Israel negotiating with Jordan or the PLO. Were you equating the PLO with Jordan as a party to negotiations in the Middle East?

A.

6. Mr. President, some people are saying your trip to Japan, South Korea and the Soviet Union is poorly timed -- that you should stay at home and concentrate on the problem of inflation. Do you have any comment on that criticism?

A. My responsibilities are many-fold. I must deal with the problems of trade and the nuclear arms race as well as the problem of inflation. As for the inflation problem, I have submitted my program to the Congress. There is really little I can do in that area until after Congress begins moving on the program I have submitted. Congress will act on my economic program in the lame duck session.

7. Mr. President, speaking of the lame duck session, what do you expect that session to produce?

A. I would think the Congress would pass my economic proposals, energy legislation, spending reductions, the mass transit bill and the trade bill, to mention a number of major pieces of legislation. What else might transpire is anybody's guess.

8. Mr. President, what about the nomination of Rockefeller to be Vice President?

A. My information is that the committee hearings will proceed during the lame duck session and I am hopeful that final action will come before the end of the year.

9. Mr. President, unemployment is the highest in three years. What are you doing about it?

A. Federal funds are being released which will provide 170,000 public service jobs this winter. Meantime, I think we will see a gradual improvement in the economy by the middle of next year. As the economy improves, the job situation will improve. It would not do to prime the pump because we are fighting inflation at the same time that we are seeing weakness in some sectors of the economy. To fight inflation, we must hold down Federal spending. Federal spending is no substitute for a healthy economy.

10. Mr. President, Senator Fulbright says the United States should not support continued Israeli occupation of old Jerusalem and the Palestinian West Bank and that "Israel's supporters in the United States are encouraging Israel on a course which must lead toward her destruction and just possibly ours as well." What is your reaction to the Senator's statement?

A.

11. Mr. President, more than half of the 110 candidates you endorsed were defeated last Tuesday, including the Republican who ran in your old congressional district. Wasn't that a repudiation of you personally?

A. Not at all. I think I did some good -- how much I don't know. Certainly I stirred up interest in the election, and I raised quite a bit of money for Republican candidates. I just couldn't sit out the election and let it go by default.

12. But maybe it would have turned out the same way anyway? What do you think?

A. That's impossible to say. I personally feel I had a beneficial impact on the candidacies I campaigned for.

13. Mr. President, you said the economy was the chief issue in the election. Doesn't that mean the voters rejected your economic program?

A. No, it does not. My program hasn't even been debated in the Congress yet. The voters were simply expressing their dissatisfaction with economic conditions in general. They are now looking for both the White House and the Congress to produce, so to speak.

14. Mr. President, don't you think Watergate and your pardon of Richard Nixon were responsible to some extent for the drubbing Republicans took?

A. Watergate doubtless was a major factor. But I don't think the pardon was. The reason I say that is that a public opinion survey taken 18 months ago indicated that the election would turn out pretty much the way it did.

15. Mr. President, is the 94th Congress a Congress you can work with?

A. Yes, I believe it is. I intend to meet Congress more than halfway. My watchwords are conciliation and compromise. If the 94th Congress will give me a decent amount of cooperation, I feel sure we can, together, produce legislation we can be proud of.

16. Mr. President, what did the 1974 election mean in terms of the future of the Republican Party?

A. The Republican Party came back from a disastrous defeat in 1964, and I feel sure that we will bounce back again.

17. Does that mean you think the Republican Party has a chance of winning the Presidency in 1976?

A. I think the Republican Party has an excellent chance of winning the Presidency in '76. What we've got to do is move this country forward, make the economy sound and healthy again, and at the same time maintain the peace. If the Congress will work with me, I'm sure we can do those things.

18. Mr. President, do you expect a challenge from Ronald Reagan or some other Republican for your party's nomination in 1976?

A. Helan, I am not going to answer that question because I am not announcing that I will be a candidate in '76. I have said that I "probably" will be a candidate -- and that is as much as I am going to say in that regard.

19. Mr. President, when did you first learn that Mr. Gibson was going to be receiving \$88,000 a year for 10 years from the oil transport company he formerly headed?

A.

20. Mr. President, Rogers Morton has said Mr. Gibson was not his personal choice. Was he, then, your personal choice?

A.

21. Mr. President, if Mr. Gibson was not Mr. Morton's personal choice, how was it you explained Mr. Sawhill's resignation by saying you wanted to let Mr. Morton pick his own energy management team?

A.

22. Mr. President, if there is a coal strike and it goes on for any length of time, will you invoke the Taft-Hartley Act and obtain a court back-to-work order?

A.

23. Mr. President, Senator Jackson says some companies are making what he calls "obscene" profits. Do you have any plans to propose an excess or windfall profits tax on any companies besides oil firms?

A. We have, as you know, proposed a windfall profits tax on oil companies. As far as other firms are concerned, the 5 per cent surtax I have proposed as part of my economic package would apply to all of them.

24. Mr. President, are you going to try to find places in your administration for Republican members of Congress defeated last Tuesday?

A.

25. Mr. President, do you have any plans for changes in your cabinet?

A.

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EUROPE
EAST ASIA
LATIN AMERICA
AFRICA
ECONOMIC
GENERAL



R

WELFARE REFORM

Question:

Will you follow up on President Nixon's plan to propose welfare reform? And would your proposal be in the form of a negative income tax?

Answer:

As you know, Secretary Weinberger has been conducting a thorough study of our welfare system, and I expect him to have his recommendations to me in the near future. Until I receive this report, I would like to leave my options open. But I can tell you one thing for sure: Any welfare reform proposal I decide to make will be a strong one that can pass the Congress. We will be consulting with them every step of the way so that if a proposal does go up to them we can have swift action.

11/7/74  
PGN

## HEALTH INSURANCE

### Question:

Does the Administration still hope to see some form of health insurance legislation passed this year?

### Answer:

Well, while I'd like to see comprehensive health insurance enacted as soon as possible so that we can put a halt to rising health care costs, I must be realistic and say there is little chance Congress could put together such legislation in so short a time. I'm quite optimistic about next year, however. I was glad to read that the AMA is willing to compromise on its tax credit financing requirement and that a recent poll showed a majority of doctors approved of national health insurance. If this spirit of compromise continues, we will get a bill soon.

### Background:

Malcolm Todd, President of the AMA, said in a October 8, 1974 New York Times interview that the AMA would be willing to accept payroll financing and employer contributions, thus giving up on its tax credit proposal. Also, a recent issue of AMA News cited a poll showing 56 percent of all doctors approved of the general idea of national health insurance and 83 percent believe some form of it is inevitable.

11/7/74

PGN

HANDICAPPED

Question:

Recently you met with a representative group of handicapped citizens and said that your Administration would do all that it could to help them. Then, two weeks later, you vetoed a bill that would have extended the Rehabilitation Act of 1973. Can you explain this apparent contradiction?

Answer:

Let me say that my commitment to the handicapped is in no way diminished by that veto. On balance that legislation would have been of little benefit to the handicapped and would, instead, have worked to the detriment of their programs. As you recall, in my veto statement I pledged that we would work with the Congress in getting a more responsible bill enacted as soon as possible.

11/7/74  
PGN

## HEALTH INSURANCE

### Question:

There has been a lot of talk about compromise concerning the various health insurance proposals. Would you be willing to accept a version of the Mills-Kennedy or Long-Ribicoff bills?

### Answer:

First of all, let me say that no one is more interested in working out a compromise on this issue than I am. I recognize that not one of the major proposals is strong enough by itself; a final bill will have to be worked out through compromise. Many have already shown a willingness to compromise; most recently the AMA. And I think that the talk and interest within the Congress on health insurance shows we can work something out with them. But there is one basic principle upon which we will not compromise: Any health insurance bill I sign must be a true partnership among the private sectors, State and local governments, and the Federal Government. A plan that sets up Federal domination would be unacceptable.

11/7/74

PGN

CONSUMER PROTECTION

Question:

Legislation to create a consumer protection agency has been dropped by the Senate for this year. What will be the attitude of the Ford Administration toward any attempts to pass such legislation next year?

Answer:

While I do think there is a need for a consumer advocate within the Executive Branch and even a separate consumer protection agency, I share the concerns of many who feel such legislation must be carefully written. A proper balance must necessarily be maintained between the powers of any such new agency and the duties of existing agencies. Any bill that improperly balances those powers I could not support.

11/7/74

PGN

## WEST VIRGINIA TEXTBOOK DISPUTE

### Question:

With the coal miners strike imminent and West Virginia textbook dispute still unresolved, the potential for more serious violence increases. What are you going to do about it?

### Answer:

The Federal Government has no authority over selection of textbooks. This is a State and local matter. My aides and the Commissioner of Education, Dr. Ted Bell, have met with representatives of both sides of the issue and talked with the responsible officials in an effort to help find a constructive compromise which will ease this dangerous situation.

11/7/74  
R. D. S.

## VIETNAM VETS NOT GETTING A FAIR SHAKE

### Question:

What is this Administration's attitude toward charges that the Vietnam veteran is not getting a fair shake?

### Answer:

First of all we believe it is impossible to repay fully the sacrifices made by war veterans, regardless of the period in which they served. However, the benefits available to Vietnam veterans are comparable to and in some instances better than those available to veterans of earlier wars. There have been some lags in making cost-of-living increases in educational assistance allowances for Vietnam veterans. As you know, former President Nixon called for an increase in these payments last October but a bill still hasn't come out of the Congress to effect this.

### Background:

Meanwhile, Vietnam era veterans make up 24.2 percent of the veteran population and 30.3 percent of VA's budget of \$13 plus billion is spent in their behalf. Some small groups of Vietnam veterans contend there has been wholesale alienation of the young veteran in our society, but nearly five million Vietnam veterans are now at work in the civilian labor force and two million more are in training. In fact, 2.6 million Vietnam veterans have trained at college level under the G.I. Bill--topping the record of the World War II programs.

11/7/74  
R. D. S.



VA HOSPITAL REPORT

Question:

Mr. President, now that you've released the VA hospital survey and acknowledged that there are areas requiring considerable improvement, do you intend to ask Congress for all the necessary funds identified in the report?

Answer:

I am reviewing all government spending in an effort to get to the \$300 billion expenditure level. We are now exploring ways in which we can best meet the essential needs identified in the Survey Report, while still reducing the total government outlay.

11/7/74  
R. D. S.

GI BILL

Question:

Mr. President, the Senate leadership held the GI Education bill because they feared a pocket veto. Do you intend to veto that bill when it reaches your desk?

Answer:

I have pledged to do everything I can to increase veterans' benefits. Although I have not seen the bill in question, I understand it substantially exceeds my request for an overall benefits increase which keeps pace with inflation.

I am hopeful that Congress, after almost a years delay which cost our veterans \$50 million per month in additional benefits, will send down a bill which both aids the veterans and is fiscally responsible.

11/7/74  
R. D. S.

*B*

## FOOD PRICES

### Question:

What is the outlook for food prices and supplies over the next few months?

### Answer:

The rate of increase in retail food prices is expected to slow markedly during the remaining months of 1974.

### Background:

Retail food prices advanced during the late summer months following a period of relatively stable average prices during the spring and early summer. The higher retail prices were a reflection of lower production and higher prices for several crop commodities induced by unfavorable weather conditions, seasonally lower red meat output during the summer months and increased costs of marketing food products.

Beef supplies are record large although a larger proportion is "non-grain-fed" in comparison to other recent years. Pork supplies have also increased and turkeys are relatively plentiful with large storage stocks augmenting the seasonally large production. Somewhat offsetting are smaller supplies of broilers, eggs, and some dairy products as producers cut back output in response to high feed prices.

On the crops side, domestic supplies of wheat, rice, potatoes, and citrus fruits are expected to be record large. Harvests of dried beans and peas are also up sharply from last year. Offsetting, however, are continued tight supplies and higher prices for some cereal and bakery items, processed fruits and vegetables, vegetable oil products, sugar and sweets, and beverages.

M. Duval (N.R.)  
11/7/74

## LIVESTOCK SITUATION

### Question:

What is the Administration doing about the squeeze on livestock producers?

### Answer:

The Administration has taken a number of actions to relieve some of the anxiety and possibly restore some of the confidence among producers.

If imports of meat, subject to the Meat Import Law, threaten to pick up markedly during the next year and the Agricultural Department's estimate of 1975 imports exceeds the trigger level under the law, the President will impose meat quotas or negotiate volunteer agreements with foreign suppliers.

No action will be taken to change the present system of dairy import quotas which means that dairy quotas for imports will not be increased until there has been a thorough review of the overall problem, and full opportunity for our dairy producers to be heard at that time.

The Administration is not going to permit foreign dairy producers to compete against the American dairymen in the U. S. market with subsidized products. If the Europeans reinstitute their export subsidies on dairy products directed at this market, the President will impose countervailing duties on their products.

M. Duval (N.R.)  
11/7/74

## EXPORT CONTROLS ON COMMODITIES

### Question:

Shouldn't export controls be placed on feed grains and other commodities to give American consumers their proper priority over foreigners during the current world supply shortage?

### Answer:

I am reluctant to impose export controls if they can reasonably be avoided because of the disruptive effect on our needed foreign markets. The entire matter, however, is under the closest continuing review and, as I am certain you recognize, there are complicated considerations which have to be taken into account in deciding whether to impose or not impose controls on commodities.

### Background:

One of these considerations is the effect which export controls would have on our PL-480 programs. One of the reasons for the proposals for new export control legislation was precisely to permit the continuation of PL-480 program, when it is in the national interest to do so, even during a period of export controls. In no event will we permit exports to cause deprivation among our own citizens.

At this time there is not a situation in which to seriously consider imposing export controls. Export controls is a drastic measure that distorts markets and prices, and undercuts the production potential of U. S. agriculture by destroying markets on which it depends as an outlet for one-fourth of its output.

M. Duval (N.R.)  
11/7/74

## WATER POLLUTION FUNDING

### Question:

The Federal Water Pollution Control Act of 1972 authorized the sum of \$18 billion to finance the construction of sewage treatment facilities by States and municipalities. Of that amount, \$5 billion was authorized for fiscal year 1973, \$6 billion for fiscal year 1974, and \$7 billion for fiscal year 1975. Why has the Administration released only half of that amount--a total of \$9 billion--for the three years?

### Answer:

The President's decision was based primarily on his commitment to control spending in order to avoid pressures of renewed inflation or a requirement for increased taxes. The amounts allotted provide for a continued expansion of the construction grants program while giving appropriate consideration to competing national priorities for our limited Federal resources.

### Background

The \$4 billion which was released for fiscal year 1975 established a level of Federal funding five times higher than the breakthrough level of \$800 million in the budget for fiscal year 1970. And it is almost 20 times higher than the funding of \$214 million per year before that. Despite some lower court rulings requiring the full allotment of all of the funds, the Administration continues to believe that the Executive Branch was explicitly granted statutory discretion to control the rate of Federal spending for construction of sewage treatment plants in order to avoid unwarranted inflation in this sector of the construction industry and hold down Federal taxes. The adverse lower court decisions are being appealed and we believe that further litigation will clearly establish the President's authority to control spending for this program.

M. Duval (N.R.)

11/7/74

## FOREIGN DAIRY SUBSIDIES

### Question:

Is it fair for U. S. dairymen to have to compete with subsidized foreign producers?

### Answer:

No. This Administration is not going to permit foreign dairy producers to compete against the American dairymen in the United States market with subsidized products. If the Europeans re-institute their export subsidies on dairy products directed at this market, the President will impose countervailing duties on their products.

### Background:

The most significant system of dairy export subsidies is that of the European community. The United States has sought to persuade the European community to stop subsidizing, and we have made some progress. On July 12, faced with the imminent prospect of countervailing duty action by the U. S. Department of the Treasury, the European community suspended its remaining subsidies on dairy products exported to the United States. This suspension by no means finally resolves the problem, but it is progress and we will continue to work for the complete elimination of subsidies on international trade in dairy products.

M. Duval (N.R.)  
11/7/74



## AGRICULTURAL PRODUCTION

### Question:

What steps will the U. S. Department of Agriculture take to stimulate agricultural production in 1975?

### Answer:

Secretary of Agriculture Earl L. Butz has announced that the 1975 feed grain, wheat and upland cotton programs will have no set-aside requirements and he stressed there will be no land removed from agricultural production under these government programs. Also, the Department of Agriculture will continue to monitor availability of fuel and fertilizer supplies to help ensure that farmers obtain the quantities they need for a full production effort.

M. Duval (N.R.)  
11/7/74

## CANADIAN BAN ON U. S. BEEF IMPORTS

### Question:

What is the situation with respect to the Canadian beef import quotas?

### Answer:

We have protested these quotas vigorously to the Canadians without success, and now a public hearing has been called on a proposal to restrict U. S. imports from Canada of certain meats.

### Background:

The purpose of the hearing is to give the public an opportunity to present facts and views regarding the economic effects of the possible imposition of quotas on U. S. imports from Canada of live cattle, live swine, beef and veal, and pork.

Our objective in imposing the quotas would be to get the Canadians to remove the import quotas they have imposed on beef, veal and live slaughter cattle. We want fair access for U. S. livestock and products to the Canadian market.

When they accepted the DES (diethylstilbestrol) hormone certification system proposed by the United States, the Canadians announced a deficiency payment program for live cattle and the import quota system. Both will apply for one year, beginning August 12.

Imports will be limited to the average level of imports 1969-73 inclusive. The total import quotas for the year will be 82,835 head of cattle and 125.3 million pounds of beef and veal. The U. S. share will be virtually all of the live cattle and about 18 million pounds of beef and veal. This is less than half our exports of live cattle to Canada last year (185,300 head) and about 60 percent of our shipments of beef and veal (28.4 million pounds).

M. Duval (N.R.)

11/7/74

## EXPORT CONTROLS ON COMMODITIES

### Question:

Shouldn't export controls be placed on feed grains and other commodities to give American consumers their proper priority over foreigners during the current world supply shortage?

### Answer:

I am reluctant to impose export controls if they can reasonably be avoided because of the disruptive effect on our needed foreign markets. The entire matter, however, is under the closest continuing review and, as I am certain you recognize, there are complicated considerations which have to be taken into account in deciding whether to impose or not impose controls on commodities.

### Background:

One of these considerations is the effect which export controls would have on our PL-480 programs. One of the reasons for the proposals for new export control legislation was precisely to permit the continuation of PL-480 program, when it is in the national interest to do so, even during a period of export controls. In no event will we permit exports to cause deprivation among our own citizens.

M. Duval (N.R.)  
11/7/74

## OUTLOOK FOR FOOD SUPPLIES AND PRICES

### Question:

What is the outlook for food supplies and prices for the remainder of 1974?

### Answer:

Adverse weather conditions over much of the Nation earlier this year along with increased costs of marketing food products are likely to cause further increases in retail food prices. With smaller crops of feed grains and soybeans in prospect, livestock feed prices are expected to remain strong resulting in smaller supplies of fed beef, pork, and poultry products this fall and winter than would have been realized with larger feed crops.

### Background:

These reductions may be at least partially offset by larger supplies of nonfed beef as more cattle and calves by-pass the feed lot on the way to consumers. Supplies of most crop related foods are expected to equal or exceed last year's levels although markets will remain generally tight due to the drawdown of stocks which has occurred over the past two years.

Average retail food prices may advance during the remainder of the third quarter as higher farm prices are passed through to the consumer. But the rate of increase is expected to slow again during the fourth quarter with further increases likely early next year.

M. Duval (N.R.)  
11/7/74

President's Livestock Conference

Question: What is the government doing about the squeeze on livestock producers?

Answer: We have proposed a change in beef grades to permit more younger, leaner beef in the upper grades. The "comment period" on this change is now open and will close in early December. A decision will be made as soon as possible after that.

We are providing emergency credit to livestock producers and propose to loosen eligibility requirements.

We are holding a joint conference on Food Productivity, Costs and Prices tomorrow and Friday (Oct. 31-Nov. 1) at the Department of Agriculture in cooperation with the Council on Wage and Price Stability that will focus on the widened margins between farm prices and consumer food prices.

We will be taking a close look at meat import quotas at the end of the quarter to see if a change is indicated.

We are holding public hearings on the import restrictions that Canada has placed on imports of our beef.

We have held hearings on the feasibility of increasing Class I Milk Order prices, and the "comment" period is now open.

We are recommending the imposition of countervailing duties on imports of dairy products and meat any time that foreign governments put export subsidies on these products.

Our U.S. Department of Agriculture Extension Service has activated an educational program on beef management problems.

We are monitoring grain export sales daily to accomplish an equitable sharing of our grain supplies.

We have announced an all-out production effort to increase feed grain supplies next year.

M. Duval (N.R.)  
11/7/74

## PROJECT INDEPENDENCE REPORT

### Question:

John Sawhill said he is delivering the Project Independence Report to you on November 11. Will it actually be presented to you? Now that he has resigned, will the report be used?

### Answer:

The Project Independence Report will go to Rogers Morton, Chairman of my Energy Resources Council, who will lead a thorough inter-agency review of the report.

Using the FEA report as its starting point, the Energy Resources Council will develop options for me to consider.

### Follow up Question:

Many consumer and environmental organizations are concerned about the report and are seeking an opportunity to make their views known on it. Do you plan to consider their views?

### Answer:

The report delivered to Secretary Morton will, of course, be made public and I expect the Energy Resources Council to make arrangements for receiving and considering views from environmental and consumer organizations and others who wish to comment.

M. Duval (G.S.)  
11/7/74

## NATURAL GAS SHORTAGES

### Question:

What are you doing to ease the impact of the Federal Power Commission's decision to cut off natural gas service this winter for many industrial users? Isn't this going to put a lot of people out of work?

### Answer:

The FPC is estimating a major increase (81%) in gas curtailments for industrial customers this winter. This will cause some unemployment. This is a direct result of the growing national shortage of natural gas -- which can be attributed directly to Federal regulations which have led to a steady decline in exploration, development and supplies. The only real answer to this growing problem is Congressional action to remove Federal regulation of new natural gas prices.

For this winter's problem, the Federal Energy Administration (FEA) is working closely with the Federal Power Commission to identify the industrial customers who will be affected. The FEA is also taking steps to help assure that alternative fuels -- principally fuel oil -- will be available wherever possible to use in place of natural gas.

Unfortunately, the use of fuel oil in place of natural gas can mean a short term increase in imports. That's why we must act now to increase domestic natural gas and petroleum production.

### Background:

- The curtailment problem for industry could be serious in several parts of the country, particularly is there is a cold winter, leading to heavy residential natural gas use.
- Industrial customers will be cut off first because it simply is not feasible to cut off residential customers.
- The areas of the country most likely to be hit are (1) the Gulf Coast States, (2) the Carolinas, (3) Kansas, Missouri, Oklahoma, and (4) the Northeast States.
- FEA will publish regulations during the week of November 10th setting up a procedure to provide alternative fuels for natural gas users whose supplies are cut off.

M. Duval (G.S.)  
11/7/74

## ENERGY CONSERVATION

### Question:

The voluntary conservation program called for in your economic address is not working. Now that the election is over are you going to submit a mandatory program to the Congress?

### Answer:

I am not ready to conclude that our voluntary energy conservation program will fall short of the goals I have set. In fact, the early indications are encouraging. For example, six major energy using industries have committed to industry-wide, plant-by-plant conservation programs. And I believe that many citizens will be stepping up their efforts, because they want to fight inflation and they want to save money by saving energy.

I will follow the progress carefully and if I find that voluntary efforts aren't effective, I will propose tougher measures.

The Project Independence Report will present options, including mandatory conservation measures, that are going to be studied by the Energy Resources Council. When the review of this report is completed and the options presented to me, I will decide on longer-term conservation programs, probably early next year.

### Background:

Current goal is voluntary reduction of 1 million bbls/day oil equivalent by end of 1976 below what consumption otherwise would be.

M. Duval (G.S.)  
11/7/74



## NATURAL GAS DEREGULATION AND INFLATION

### Question:

You have repeatedly called for deregulation of natural gas. Wouldn't this be inflationary and aren't you concerned about additional windfall profits for the oil companies?

### Answer:

It is important to understand that we are proposing to remove FPC price regulation only from new natural gas. Other natural gas supplies would continue under FPC control.

It is correct that deregulation of new natural gas prices will lead to some increase in prices but these will not be rapid or large since the prices for new gas will be averaged in with the price for existing supplies. There will not be large windfall profits from deregulation since the price of old gas would continue under FPC control.

The gradual increase will be far less inflationary than the high prices that consumers would have to pay for alternative fuels -- such as expensive foreign oil -- when they cannot get gas from domestic sources.

### Background:

- . New natural gas deregulation may be considered as a Senate floor amendment to a House passed Ways and Means Committee bill (e. g. , the Trade Bill).
- . Opponents of deregulation are increasingly arguing that natural gas deregulation will be inflationary and result in large windfall profits. A study is underway under Chairman Morton's leadership to get more specific information on the inflationary and economic impact of the Administration proposal -- in order to answer the critics.

M. Duval (G.S.)  
11/7/74

## OIL PRICE EQUALIZATION

### Question:

For weeks we have been hearing that your Administration was going to do something to ease the problem caused by the two-tier pricing system established by FEA for crude oil. The existing policy is the cause of very high prices in some areas -- particularly on the East and West Coasts. When are you going to act on this?

### Answer:

FEA published proposed procedures for dealing with this complicated problem in August and requested public comments. The extensive comments received together with further study by the FEA and the Energy Resources Council have led to the development of two new alternatives which are different from those published before and which, I am told, are superior. Those alternatives will be published later this week (about November 8, 1974) for a short period of public comment. A decision will be made shortly thereafter.

M. Duval (G.S.)  
11/7/74

## NAVAL PETROLEUM RESERVES

### Question:

Secretary Morton has recommended transfer of Naval Petroleum Reserves 1 and 4 (Elk Hills, California and Alaska) from the Navy Department to the Interior Department. He has also indicated that the big reserve in Alaska should be open for commercial exploration and development. Do you agree with those recommendations?

### Answer:

The oil in the Naval Petroleum Reserves is useful to no one unless it is available in a time of need. I recognize that the whole matter of the Naval Petroleum Reserves is a complex and controversial matter and I have asked the Secretaries of the Navy, Defense and Interior to develop options and recommendations with respect to the reserves. I want to receive and review their recommendations and discuss the matter with Congressional leaders before deciding on a proposed course of action.

### Background:

- . In a November 1, 1974 letter to Congressman Haley, Secretary Morton presented his view that the Naval Petroleum Reserves should be transferred to Interior and that they should be opened for leasing under a system similar to that used for outer continental shelf lands.
- . Congressman Hebert as well as some Naval officers have reacted strongly and negatively to this proposal.
- . Your September 12 message to the Congress indicated that you would discuss the Naval Petroleum Reserves issue with Congressional leaders. Your October 8 economic message called for responsible use of the reserves and the "Fact Sheet" issued on October 8 called upon the Secretaries of the Navy, Defense and Interior to study the matter.
- . Recommendations are expected in December.

M. Duval (G.S.)  
11/7/74

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TRANSPORTATION (MASS TRANSIT)

Question:

Will you support the compromise mass transit bill which the House and Senate Conferees have agreed to?

Answer:

The compromise worked out by the House-Senate Conference Committee, headed by Senator Williams, contains all the provisions I have supported. In my Pittsburgh speech and again later to a group of Mayors, I stated that I strongly supported a six-year transit bill which would allow local and state officials to use a portion of their federal funds for operating costs.

The funding level of the bill agreed to by the S.386 Conferees is very close to the amounts in the six-year House-passed bill which I have said I will support -- approximately \$11.8 billion.

I am very much in favor of a comprehensive mass transit bill, and it has my full support.

Follow-up Question:

The Williams-Minish bill is reported to be blocked in the House Rules Committee because of a jurisdictional attack by the Public Works Committee. Do you think it stands a chance of House approval?

Answer:

I will be consulting with House and Senate leaders. The country needs this six-year transit bill and I will continue my strong efforts to get it passed.

M. Duval  
11/7/74

REGIONAL RAIL REORGANIZATION ACT

Q: How is the process outlined by the Regional Rail Reorganization Act going?

A. Despite severe time constraints imposed by the Regional Rail Reorganization Act and the delays encountered in establishing USRA, the work to meet the revised 2/28/75 deadline for the preliminary system plan is now well underway.

USRA is conducting a detailed analysis of bankrupt Northeastern railroad companies in order to assess the economic usefulness of individual line segments for local traffic and their ability to handle interstate traffic effectively.

It is important to note that the constitutionality of the Regional Rail Act will be tested during the U. S. Supreme Court's fall term.

M. Duval  
11/7/74

HIGHWAY IMPOUNDMENT

Q: Is the Administration continuing to impound highway funds?

A: To help combat inflation through restraint in Federal spending, the Administration has proposed to defer the obligation of approximately \$11 billion in Federal-aid highway funds. Such action is being proposed in accordance with the procedures outlined under the recently enacted Congressional Budget Act.

Because of the continued need for Federal fiscal restraint, it is expected that the FY 1976 Federal-aid highway budget will also require deferral of existing Federal-aid authorizations.

M. Duval  
11/7/74

## INTERNATIONAL AIRLINES

### Question:

The U.S. international airlines, principally Pan American and TWA, have suffered massive increases in fuel costs and thus face serious financial difficulties. What is the government doing about this?

### Answer:

The Administration put together a special task force to work on this problem under the chairmanship of Secretary Brinegar. As a result of intensive consultations with the airlines and all interested parties, as well as the participation of many other federal agencies and key members of Congress, a plan was developed to help the airlines, short of providing direct federal subsidy. This has helped, although Pan American is still in very serious financial condition.

We are doing everything possible within the Executive Branch to make it possible for the private parties to arrive at a workable solution. If legislation is needed to assist in this process, we will propose it very shortly.

M. Duval  
11/7/74



AUTOMOTIVE FUEL EFFICIENCY

Q: What is the status of the Administration's efforts to improve automotive fuel efficiency?

A: The Energy Resources Council held a meeting with automotive industry executives in the Roosevelt Room of the White House on October 29, 1974. This meeting was to give tentative goals to the industry so that a 40% increase in fuel economy could be achieved in the 1980 model year fleet introduced in 1979. Secretary Brinegar, who chaired the White House meeting, has responsibility for developing the voluntary program with the industry on behalf of the ERC and Secretary Morton in coordination with the Environmental Protection Agency and the Federal Energy Administratio

Individual company responses to these goals are expected in meetings with Secretary Brinegar in the period November 19-22, 1974. These responses will indicate the ability of the industry to achieve the 1980 goal. The industry executives support a voluntary program and have indicated to the ERC and Secretary Brinegar their willingness to work with the Administration toward developing a process which would realize the announced goal.

M. Duval  
11/7/74

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## ANTITRUST

### Question:

What is your attitude toward antitrust enforcement?

### Answer:

I believe that the antitrust laws should be enforced vigorously and, equally important, in an evenhanded manner. Whenever violations are uncovered they should be prosecuted. I regard vigorous enforcement as especially important in a time of inflation since anticompetitive practices -- such as private agreements among competitors fixing the prices consumers will pay -- and anticompetitive structures in various industries all serve to insulate businesses from the rigors of competition.

### Background:

The antitrust laws reflect the nation's commitment to preserving a competitive marketplace and to the belief that such a marketplace will produce the best possible products at the lowest possible prices. I share that commitment and that belief.

## BUSING

### Question

What is your position on busing?

### Answer:

Americans of all races have felt great concern in recent years over the busing issue. This has been an emotional, divisive issue in many communities. It is an issue that has confused parents, educators, courts, and government officials.

The basic goal should be quality education for all Americans. Like most Americans, I believe in the neighborhood school. I am against busing to achieve racial balance, and I am against excessive busing under any circumstances. I believe that what has been most lacking on both sides of the issue has been a spirit of compromise -- what the Supreme Court, in deciding Brown v. Board of Education, called "adjusting and reconciling public and private needs."

### Background:

In the Equal Educational Opportunities Act of 1974, which I have signed recently, I agree with the Congressional declaration that it is the policy of the United States that "all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin; and (that) the neighborhood is the appropriate basis for determining public school assignments." (Sec. 202(a))

I am also encouraged by the Chief Justice's statement in the Supreme Court's Detroit decision, which limits busing across school district lines, that "without an inter-district violation and inter-district effect, there is no constitutional wrong calling for an inter-district remedy."

The policy of this Administration will continue to be to avoid whenever possible federally imposed busing requirements in cases under the jurisdiction of federal executive agencies. Second, it will continue to be our policy to seek fair and workable remedies for unlawful denials of equal educational opportunity, and to work with school authorities and civil rights advocates in a cooperative, non-adversary spirit. Finally, it need hardly be stated that the law, as determined by the courts, must and will be obeyed. I believe that within this framework, we can begin to come to grips with the busing issue in a constructive way.

GCS  
10/23/74

## CAPITAL PUNISHMENT

### Question:

What is your stand on the issue of capital punishment?

### Answer:

I believe that capital punishment can be a deterrent to crime. Many states are revising their laws to reflect the decision of the Supreme Court in Furman v. Georgia. Earlier this term the Senate passed legislation which would restore the death penalty for certain heinous Federal crimes. I support that legislation and hope for passage in the House.

### Background:

This legislation would impose the death penalty in Federal cases involving murder, treason, and war-time espionage after a post-final hearing determined that there were certain aggravating factors and no mitigating factors.

GCS  
10/23/74

## MARIJUANA

### Question:

Do you think marijuana use should be legalized, or decriminalized as the Marijuana Commission recommended?

### Answer:

I am opposed to the legalization of marijuana, especially since medical evidence on its effects is still being explored. I do think that penalties for simple possession have been far too harsh in the past and am pleased that over 35 states have now adopted our Model Statute on Drugs which makes these penalties more realistic.

I am also opposed to the decriminalization of marijuana because I believe this Nation learned during prohibition that such an answer is really no answer at all.

### Background:

Advocates of legalizing marijuana claim it is no worse than alcohol or tobacco, but that is hardly sufficient reason for the government to encourage its use through legalization. Marijuana may well be a passing fad of the 60's, but legalization would assure it being a problem far into the future.

The Marijuana Commission recommended, near the end of its report, that simple possession of small amounts of marijuana be decriminalized. Under the Model Drug Statute such possession remains a misdemeanor. Measures permitting the possession of small amounts of marijuana to be legal without decriminalizing the production or sale of it would create an ostrich effect in the law in this area. Lawful possession would necessarily entail unlawful trafficking.

GCS  
10/23/74

## CIVIL RIGHTS

### Question:

You say you intend to be President of all the people. What will be your civil rights enforcement policy?

### Answer:

The Administration is firmly committed to ensuring equal rights and opportunity for all Americans, regardless of race, color, religion, sex or national origin.

I expect the Civil Rights Division of the Department of Justice to continue vigorous enforcement of the civil rights statutes enacted in the last decade. We need to insure the right of all Americans to the opportunity to achieve his or her best, and to be judged solely on the merits.

### Background:

Civil rights laws state a firm national policy of equal opportunity -- in education, employment, housing, voting and other fields. The law must be enforced to the end that all citizens in our society should have an equal chance to vote, equal opportunity in jobs, equal access to decent housing, equal opportunity to a good education. Particularly in these difficult economic times, the field of equal employment opportunity is of major importance. Access to jobs on a fair and meritorious basis, without either racial bias or favoritism, is critical to insuring everyone's access to a full and rightful place in our society.

While we have made progress in the field of civil rights in recent years, there are still many areas, where Americans are the victims of unequal treatment because of their color, national origin, or sex. In my view, even one such instance is too many, and I expect the Civil Rights Division to use its resources to help make the American ideal of equal treatment for all a reality.

GCS  
10/23/74

## PRIVACY

### Question:

Where do you stand on privacy legislation being considered by Congress?

### Answer:

While Vice President, I worked extensively in the area of privacy and I am pleased at the cooperative way in which my Administration and the Congress are working toward legislation in this area. I strongly favor the House version, and feel that with just a couple more changes, it can be hallmark legislation.

### Background:

Your efforts on privacy have been directed at regulating privacy procedures and eliminating unnecessary practices intruding on an individual's privacy without impairing the functions of the Federal government.

The House bill fulfills these requirements except for its provisions for (1) disclosure of sources of information used in security and employment investigations and (2) revelation of testing and examination materials used in employment procedures.

GCS  
10/23/74



BUSING - BOSTON

Question:

What is your position on the request of Boston's Mayor, Kevin White, for Federal marshals to enforce the Court's busing order?

Answer:

This request is now before a Federal judge in Boston, and I do not wish to intrude upon his discretion in this matter. However, I regard this as fundamentally a local law enforcement problem.

Background:

Mayor White is asking the Federal District Judge in Boston to order 125 marshals to enforce the Court's desegregation busing order. The Department of Justice is quietly opposing that order, as well as the sending of any Federal troops unless the State police and National Guard of the State of Massachusetts are called out beforehand.

If a follow-up question pointing out the Boston police cannot handle the problem should occur, your recommended response is that Mayor White should request additional State resources as the next step.

GCS  
10/8/74

## DRUG ABUSE

### Question:

Are we failing in our efforts to control drug abuse in America?

### Answer:

When I proclaimed October 20-26 Drug Abuse Prevention Week, I met with the government experts in this area. They tell me that although we have clearly turned the corner from the spiraling rise of drug abuse in the 60's, there is still a long way to go. Constantly reviewing and improving efforts at all levels in our society is an ongoing priority of my Administration.

### Background:

On October 18, you met with: Ambassador Sheldon Vance, Executive Director of the Cabinet Committee on International Narcotics Control; Dr. Robert DuPont, Director of the Special Action Office for Drug Abuse Prevention; and Mr. John Bartels, Administrator of the Drug Enforcement Administration. You pledged full Administration support of efforts to halt drug abuse.

Recent developments indicate that some slippage may be occurring which, if unchecked, could lead to a resurgence of the drug abuse problem. There has been a very recent upsurge in treatment demand, particularly in the West and in medium and small cities across the country. Mexican brown heroin has spread far beyond its traditional Southwestern area and now is estimated to supply over 60 percent of all the heroin available in the country. And the prospect of renewed Turkish opium production could significantly worsen the supply situation, depending on the effectiveness of the controls implemented.

GCS  
10/23/74

## GUN CONTROL

### Question:

Recently, a Washington attorney was shot to death near his car by a 15-year old child. What do you think should be done on the issue of gun control?

### Answer:

I am sure everyone in this room joins me in condemning the illegal use of firearms, as well as all other crimes of violence. But the question on gun control is whether further Federal legislation is appropriate. I think it is in the area of Saturday night specials - those cheap junk handguns which are flooding our country - but I think it more appropriate for State and local governments to decide for themselves whether even more stringent gun control statutes are necessary for their individual locality.

### Background:

The issue of gun control is a violent emotional one. Gun enthusiasts are "one issue voters" who many claim have totally lost touch with reality on this issue. They are generally conservative and have supported the Administration on the other really big issues.

Saturday night special legislation, although easy in concept, proved impossible to draft in the last Congress: Conservatives wanted objective standards which no one could draft, and Liberals wanted "concealability" to be the standard which would be the first step in banning handguns.

The basic statutory framework is that the Federal government sets certain nationwide minimums: Federal licensing of dealers, no mailorder purchases, stringent Federal restrictions on machine guns, sawed off shotguns, and other automatic weapons, and restrictions on ownership by convicted felons, addicts and mental incompetents. Within this framework, state and local governments are able to tailor individual restrictions to suit local conditions.

GCS  
10/23/74

## ILLEGAL ALIENS

### Question:

What do you intend to do about the increasingly serious illegal alien problem facing this country?

### Answer:

Recently, my Administration asked Congress to amend the earlier budget submission by adding another \$3.5 million for programs in this area. My Administration is actively supporting passage of H. R. 982 which would outlaw knowing employment of illegal aliens. In my recent meeting with President Echeverria of Mexico, we discussed this topic and are now exploring a number of actions which both countries could take to alleviate the problem.

### Background:

Recent estimates suggest that there are upwards of five million illegal aliens in this country. They have an adverse impact on our society in a number of ways. Since they are willing to work for lower wages, they displace U.S. citizens from jobs and thereby create unemployment. They create a substantial drain on state and local community services including schools, welfare systems and health services.

Now awaiting passage by the Senate is H. R. 982, which was introduced by Chairman Rodino in the House Committee on the Judiciary, making it illegal to knowingly employ an illegal status alien or one who is otherwise ineligible to accept employment. This legislation has been approved and passed by the House of Representatives and its enactment into law will significantly reduce the incentives for further illegal entry.

GCS  
10/23/74

## FREEDOM OF INFORMATION ACT

### Question:

Mr. President, you promised the American people an open and candid Administration yet you vetoed the Freedom of Information Act.

### Answer:

I fully support the aims of the Freedom of Information Act, and as I said in my veto message, I hope that the Congress sees the wisdom of adopting the three amendments which I have asked for, rather than trying to override my veto. The three amendments will assure that the legislation is both constitutionally sound and workable.

### Background:

You wrote Kennedy and Moorhead on August 20, 1974, asking that they deal with several areas of your concern, including in camera judicial review of classified documents, searches of investigatory files, and time limits.

On October 23 you transmitted the specific language of your three amendments -- which are consistent with the overall aims of the legislation -- to the Congress.

GCS  
10/23/74

## NATIONWIDE CRIME RATE

### Question:

The FBI released figures recently showing crime for the first six months of 1974 was up 6 percent over 1973. What do you plan to do about the rising crime rate?

### Answer:

The FBI Uniform Crime Report clearly demonstrates that crime, especially violent crime, is a continuing major problem for all of America. I have discussed this with the Attorney General and with the Chiefs of Police. This is a problem area where Federal, State and local governments must work together to better utilize existing resources and to assure that criminals are brought to justice.

### Background:

There are no easy answers to combatting crime, but it is clearly the major responsibility of State and local governments. The Law Enforcement Assistance Administration was set up in 1968 to provide Federal aid and has spent over \$3 billion so far. The answer is not more money, but better use of the money already being spent and better utilization of police, courts and corrections to deter criminal conduct.

GCS  
10/7/74

## ORGANIZED CRIME

### Question:

What is your Administration doing about organized crime?

### Answer:

Organized crime takes billions of dollars from the American economy yearly. Since organized crime transcends state borders, the Federal government has a duty to bring it under control. The Justice Department and other Federal agencies have coordinated with State and local law enforcement authorities to set up strike forces to attack organized crime.

### Background:

Organized crime is a society that seeks to operate outside the control of the American people and their governments, generally supplying illegal goods and services but often involved with legitimate businesses and labor unions.

The results can be measured not only in the number of people incarcerated but by the internal disruption now being experienced by the major racketeer groups. Several successful infiltrations have been made of organized crime families that have been previously immune to such penetration. We have had more members of the organized crime groups testifying about the illegal activities of other members than ever before in our history.

The intensification of our efforts to further these results will continue as will our support of local law enforcement which is and must be the front runner in the war on organized crime. The Federal Government is no longer reacting to organized crime's activity but is in the active pursuit of the racketeer through the Department of Justice's field offices who are on the scene coordinating the enormous Federal investigative effort.

FLM  
11/7/74