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#28
3/13/76



PRESS CONFERENCE NO. 28

of the
PRESIDENT OF THE UNITED STATES

At 12:02 P.M. EST
March 13, 1976
Saturday

At Guilford College
Greensboro, North Carolina

THE PRESIDENT: At the outset, I am delighted to be here on the Guilford College campus in sunny North Carolina. We had a few tornadoes yesterday and 19 degree temperature this morning, so it is nice to be here.

I am also somewhat cognizant of the State of North Carolina's interest in basketball. I am an avid reader of the sports page. I just hope that I do as well in North Carolina as Guilford has done for the University and will do in the days ahead.

With that, I will be glad to answer questions. I understand the first one is from Howard Covington.

QUESTION: Good morning, Mr. President. This morning in reference to a report concerning Mr. Callaway following the release of that report, Mr. Callaway has told reporters that he would like to say that you have full faith and confidence in him, but that would have to come from you. Would you comment on that, sir?

THE PRESIDENT: Mr. Callaway this morning asked that he be temporarily relieved of his responsibilities as Campaign Chairman for the President Ford Committee. It was at his request and I acceded to it. I have known Bo Callaway for 15 or more years. I knew him before he came to Congress, I knew him in the Congress, I knew him as Secretary of the Army, he has been very helpful and effective as the Chairman of the President Ford Committee. I have full faith in Bo Callaway. He is stepping aside until all of the allegations have been answered and we will wait and see, but on a personal basis he is a man of integrity.

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QUESTION: How long do you expect him to be absent from the campaign?

THE PRESIDENT: I have no way of knowing the precise time.

QUESTION: Thank you, sir.

QUESTION: Mr. President, there has been speculation in North Carolina political circles that if you are nominated and elected, Governor Holshouser may be offered a Cabinet position. Have you personally considered or discussed such a possibility with him?

THE PRESIDENT: Jim Holshouser is likewise a long and good personal friend of mine. I have known him on the many trips I have taken to North Carolina. When I came down on many occasions to help Congressional or other candidates, he has done a superb job as Governor of North Carolina. I certainly would consider him for some high office in the next Administration. I would certainly consider him as one of the potential Vice Presidential candidates. We have a number of outstanding members of the Republican Party in the Congress and as Governors and certainly Jim Holshouser would be included among them. And with the new Administration he would certainly be eligible for an outstanding position in the new Administration.

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QUESTION: Mr. President, as early as February 6, Ronald Reagan had asked you to take a position here on the New River here in North Carolina, and we didn't hear any statements until basically yesterday when it came out.

Now, he has been charging that you have used your office for political appointments, and also for other political announcements.

Doesn't this kind of look like the same sort of thing, so is his charges more warranted with the New River Announcement yesterday?

THE PRESIDENT: Well, I am very delighted that the Secretary of Interior yesterday made the announcement that he had approved the environmental impact statement, which he has now forwarded to the Council on Environmental Quality, which recommends that the New River be included in the Wild and Scenic River Program some 26.5 miles. It is not before the Council on Environmental Quality.

Secretary Kleppe made the decision totally on his own. He never talked to me about it. I never talked to him about it. The 90-day period, which expired, I think, February 28, gave him the opportunity to examine all of the aspects of it, and he has made the decision 13 days after the deadline which I think is a reasonable and a responsible period of time.

I have read some of these political allegations about my campaign. Let me answer that very categorically.

I have been in 14 political campaigns, including this one. I have also talked affirmatively about my own record, my own campaign, my own promises.

I never paid much attention to last minute political observations or charges. I will run on my own record and not be concerned about these last minute allegations.

QUESTION: Mr. President, I would like to return to the question of Mr. Callaway, if we may. You said that you do not know how long he will be away from the campaign. It is not quite clear to some people as to who will determine whether or not there has been a violation certainly of ethical practices on the part of Mr. Callaway.

Who will make that determination to clear this matter up?

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THE PRESIDENT: They will be made by the proper authorities. The proper authorities could include the Department of Defense where Mr. Callaway was when the charges have been made. It could include any one of the other agencies that might have jurisdiction, but that is a decision to be made by those departments in the investigations that they will undertake.

QUESTION: If those investigations are not beneficial to your campaign or to Mr. Callaway, what do you think that will do to your campaign especially with Mr. Reagan saying that you were connected with Watergate and scandal?

THE PRESIDENT: In the first place, I think the best answer to any alleged connection that I have with Watergate is the fact that after my nomination for the Vice Presidency the House Committee on the Judiciary and the Senate Committee on Rules held extensive hearings and the volumes of testimony that were taken absolutely cleared me of any charges connected with Watergate whatsoever, and then when the nomination went to the Floor of the House and to the Senate, in the Senate I think I got 90 some votes and three were against me. And bear in mind that is a Democratic or was a Democratic dominated Senate.

When the vote went to the House of Representatives, again totally dominated about two to one by Democrats, 37 House Members voted against me and 375 or 80 voted for me. So I think I have a pretty good endorsement of Democrats and Republicans in the Congress that cleared me of any allegations whatsoever of any connection with Watergate.

So there is no validity to those allegations whatsoever.

Now, the charges against Mr. Callaway will be properly investigated by the proper authorities, and when the decision will be made as to those allegations, I can't give you the precise time schedule.

QUESTION: If Secretary of State Kissinger is indicted in the current investigation concerning the possibility of illegal wiretapping concerning Morton Halperin, will you ask him to resign?

THE PRESIDENT: That is a matter of private litigation and since it is now before the courts, I think it would be totally inappropriate for me to make any comment whatsoever, either as to the issues or as to what I might do following the decision of the court authorities.

QUESTION: You haven't thought about that at all?

THE PRESIDENT: I have not because I don't think it is appropriate for me to get involved when there is a judicial process underway.

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QUESTION: Mr. President, we had Rogers Morton here last week in Highpoint, we are having Mr. Bush tomorrow in Greensboro. We are told by your campaign committee here we will have a number of other Cabinet people here in the next week as well as yourself.

With all respect, I would like to ask you who is minding the store?

THE PRESIDENT: Well, this is a Saturday and (Laughter) a lot of people take Saturday off, you know. (Laughter) And I am expanding my work schedule so I can come down and get better acquainted with all the fine people of North Carolina.

QUESTION: Let's address ourselves to next week then, sir.

THE PRESIDENT: Well, I am going to be back in Washington tonight. I will be working probably tomorrow a good share of the time and I will be working in Washington because I firmly believe that my principal responsibility is to carry out the responsibilities of being President.

I have tried to maintain that posture. I think I have. The campaigning that I have done has been minimal, it has been mainly focused on weekends which is the right thing to do for a President. If I am able to come to North Carolina one day next week, I can assure you it will, under no circumstances, interfere with my Presidential responsibilities. That is my prime duty and I will maintain that.

QUESTION: Well, who is paying for these political trips for these gentlemen?

THE PRESIDENT: The President Ford Committee is paying totally for my political operations. Who are the other people that you indicated were coming here?

QUESTION: I understand next week that you would have three Cabinet members that would be coming to North Carolina to campaign for you.

THE PRESIDENT: Well, if they are coming on a political mission the President Ford Committee will pay for it. If they are coming in their responsibilities as Cabinet officers, they will, of course, come under the usual circumstances.

QUESTION: Mr. President, I would like for you, sir, to elaborate on just what are the accusations against Mr. Callaway, what do you know about them and did you willingly accept his request to step aside or would you have preferred he stayed on?

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THE PRESIDENT: I acceded to his request which I thought was the proper thing to do. I am not totally familiar with the allegations and since they are now or will be shortly under investigation, I think it would be inappropriate for me to discuss them because I could hear one side without getting the benefit of the others and so until the proper authorities in the Executive Branch of the Government have heard the allegations and the refutations by Mr. Callaway, I think it is totally inappropriate for me to even discuss the matter as to substance.

QUESTION: Does that include, sir, not commenting on just what Mr. Callaway said to you about the situation?

THE PRESIDENT: Well, Mr. Callaway has said to me that he is fully confident that the net result will be that he will be cleared, and until the charges have been fully investigated, I don't think I should pass judgment on it.

QUESTION: Mr. President, despite recent figures that reflect decreases in inflation and unemployment, millions of Americans are still without jobs and are forced to pay very high prices for goods.

In your opinion, what is viewed as an acceptable limit or level of unemployment and inflation?

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THE PRESIDENT: I won't be satisfied until every person who wants a job can get a job. That is the acceptable limit as far as I am concerned. I am encouraged by the fact that since March of last year when unemployment was 8.9, that it has been reduced to the level of 7.6.

I am encouraged by the fact that since March of last year we have gained 2 million, 200 thousand jobs that were up to the level of 86 million, 300 thousand jobs, which is the same as an all-time high of gain full employment in the United States.

I do say, however, that we have to continue the pressure as we have had to reduce the unemployment.

It is unacceptably high now, but the trend is right, and I can assure you that the policies we are following will continue to reduce unemployment, and I am confident of that result.

QUESTION: You have stated that the primary concern of yours is forcing private enterprise to bear the brunt rather than Federal funding for jobs. Do you feel that private enterprise will continue to higher unemployed persons rather than look first at the bottom line and maintain their profit level?

THE PRESIDENT: First, five out of six jobs in our economic society are in the private sector, so that is where the greatest potential is. I believe that the private sector is expanding, and all the indicators prove that.

Cars are selling more rapidly, retail sales are up, consumer confidence is increasing very rapidly. So the opportunity for the private sector to employ more is obviously there, and I am confident they will, and I think they will do it on the basis that it is good for them, it is good for the country, and I am optimistic that the private sector will have greater opportunities in the months ahead to add to their employment rolls and every indication we see confirms that.

QUESTION: Thank you.

QUESTION: Mr. President, on the subject of jobs, college students, particularly, are a little worried about it now because they have been talking about how they are over qualified, the job market is tight, many of them don't get to use their training in skilled jobs because there is a shortage.

Now, can you offer tomorrow's graduates any encouragement?

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THE PRESIDENT: I think the job opportunities for graduates in 1976 from colleges will be far greater than the job opportunities that existed in June of 1975 because the economy is improving and it will get increasingly that way.

We have about 2 million new job seekers every year because we have a burgeoning society in population. So our job is not to be satisfied with 86 million, 300 thousand now gainfully employed, but to absorb in the private sector primarily the new college graduates, the new high school graduates.

I believe that as we move ahead -- and this is March -- the job opportunities for college and high school graduates will be infinitely better. The circumstances certainly point that way very optimistically.

QUESTION: Is the Government going to be involved in any of this hiring?

THE PRESIDENT: Well, we have, of course, many job opportunities in the Federal Government. In the civilian side, the Federal Government employs roughly 2 million, 100 thousand people. There are always retirements. There are some agencies that will be expanding, there are some that will be contracting. But there will be job opportunities in the Federal Government, and I am certain at the State and local level there likewise will be job opportunities.

QUESTION: Thank you.

QUESTION: Mr. President, evidently, there has been some sort of an agreement between this country and the People's Republic of China under which we are going to withdraw about half our troops from Taiwan this year. My first question is, we have been told after your trip to China and Mr. Kissinger's trip that there have been no secret deals made, and secondly, after the election, are we going to hear that the other half have been withdrawn?

THE PRESIDENT: Well, first there are no secret deals made. In 1972, when the Shanghai Communique was signed, which called for the normalization of relations between the United States and the People's Republic of China, it was agreed that there would be a reduction from the U. S. troop commitment on Taiwan.

At that time, there were roughly 10,000 U. S. military personnel stationed on Taiwan. It has been gradually reduced from 1972 to the present level of approximately 3,000. This has come about for a number of reasons. One, the situation in Southeast Asia has changed significantly. The war in Vietnam is over and some of those forces there were related to our operations in Vietnam. Other circumstances have changed in the Pacific area.

We have continued, not secretly, but openly, to reduce from approximately 10,000 down to the present level of 3,000, and those present levels will probably be decreased. I cannot give you the precise number, but whatever we have done in that regard has been told to the Congress. It is on the record. Under no circumstances, is it a secret deal. It is a part of what was promised in 1972 and the changed military circumstances in the Pacific area.

QUESTION: Mr. President, is there a long range plan to withdraw our complete troop commitment from Taiwan? Has somebody scaled down our recognition of the Nationalist Government on Taiwan?

THE PRESIDENT: We will continue to have some forces on Taiwan. The exact number has not been determined but there is no final decision as to the precise number or the precise timing.

QUESTION: Mr. President, in Illinois you said under no circumstances will we play second fiddle to anybody militarily. Does this mean that you consider that we are not now second when the Soviet Union has 50 percent more Polaris submarines and 60 percent more ICBMs than the United States?

THE PRESIDENT: I categorically say that the United States is second to none militarily now, and if the Congress carries out my military budget for fiscal year 1977, we will continue to be second to none militarily.

I think what you have to do is take a look at what we have, which is what our military leaders have told me, and previous Presidents, we need for our national security.

We have far more warheads. We have far better accuracy of our ballistic missiles. We have many, many, many more aircraft of a strategic capability -- B-52s, for example. We are in the process of acquiring the B-1s. If you look at the Navy, yes, the Soviet Union has more ships, but we have, far, far more tonnage in capital ships because our naval leaders said that is what we needed for the United States to protect this country, to deter aggression and to maintain the peace.

And I think our program is second to none and it will stay second to none if the Congress approves the budget that I recommended for the next fiscal year, which, incidentally, is the highest peace time budget in the history of the United States.

QUESTION: Thank you.

QUESTION: Mr. President, my question is this. Do you see the United States relinquishing control of the Panama Canal in the next four years, and, if so, under what circumstances?

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THE PRESIDENT: Three Presidents have been negotiating since 1965 with the Government of Panama to resolve the dispute that arose following the very sad and tragic incident that happened at that time where some 30 people were killed, including, as I recall, approximately 10 Americans.

These negotiations have gone on for about 10-plus years.

I can assure you of this. The United States, as long as I am President, will do nothing to give up the control of the operations of the Canal, and will do nothing to give up the military protection of the Canal, and that is what the experts in our Government are most concerned about. And whatever is agreed to, if anything, will be submitted openly to the United States Congress for consideration.

QUESTION: Mr. President, Governor Holshouser has said that Ronald Reagan's campaign is all but dead, and he has invited other Republicans to get behind your candidacy.

My question is this, sir. Would you not prefer that Ronald Reagan remain in the campaign right down to the wire for the amount of publicity it brings to you and your candidacy? (Laughter)

THE PRESIDENT: Well, I really should not pass judgment on my opponent's campaign, what he will do or what he has done. I can only assure you that the plans we have -- and they have been this from the very beginning when some pessimists were saying, "When are you going to get out?" -- our plans from the beginning have been to stay in and to win in Kansas City, and we are going to do that, and I think we will win in November as well.

QUESTION: Mr. President, Mr. Kissinger this week made some statements critical of some of the other Presidential candidates for the statements they have made concerning your Administration's foreign policy. Senator Jackson says this is the first time that he recalls any Secretary of State becoming involved in a political campaign.

First, can you say if the White House had prior knowledge of the statements Mr. Kissinger made in his speech, and secondly, do you agree that they are political in nature?

THE PRESIDENT: Over the years, from my own personal knowledge in Presidential campaigns, most candidates, Democratic or Republican, have adopted the attitude that it was in the best interests of the United States not to make foreign policy a political football.

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I have always adopted that attitude, I think it is the right one. But for the last year, and right up to the present, there have been some political attacks made against foreign policy.

I think that is the wrong approach because we had great success following World War II when there was a true bipartisan foreign policy. I can recall vividly when Senator Arthur Vandenberg worked with President Truman, a Republican and a Democrat, to have a truly bipartisan foreign policy. That was good for the United States. But for about a year now we have had political sharpshooting from individuals who seek the Presidency as to foreign policy.

I can simply say this. I think we had a good foreign policy. We are at peace. We have been successful in the Middle East. We have reassured our allies in Western Europe. We have continued to have a proper dialogue with the Soviet Union, on the one hand, and the People's Republic of China, on the other.

We are solidifying our foreign relations with countries all over the world. It is an affirmative, constructive policy in the area of foreign affairs, and we are at peace.

And I can assure you that we are going to continue that kind of a foreign policy. When people attack us, when they attack a policy that is successful, I think we have the obligation to speak up frankly, candidly, forthrightly to say that this is a good policy, and I intend to do it, and I see no reason why Secretary Kissinger should not have the option when he is personally attacked, and the policies that he carries out are attacked, because they have been under attack from politicians for the last 12 months.

QUESTION: Mr. President, you say that you support Mr. Kissinger. Can you say unequivocally that he will be the Secretary of State if you are elected?

THE PRESIDENT: Well, I have answered that question a number of ways all with the same purpose and intent. Secretary Kissinger has done a fine job. I have asked him to stay. He can stay as long as he wants to, as long as I am President, because his policies in my Administration under my direction have been successful.

QUESTION: Earlier in response to a question about charges from Governor Reagan that you were misusing the powers of your office to your political advantage, you said you paid no attention to last minute political charges. Do you consider the Governor that desperate a candidate?

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THE PRESIDENT: Well, I really should not pass judgment on whether he is desperate or not desperate. I have never found that last minute political allegations are ever very helpful, the public understands them. And as a candidate who has always run an affirmative campaign, never getting into those kinds of charges, I am just not familiar as to when you do it or don't do it because I have never participated in that. That is a judgment he will have to make and the public in North Carolina will have to make.

QUESTION: Sir, one of the judgments he has made in Illinois is that there is word being spread by your people that if he is unsuccessful in the initial primaries, he will no longer be a valid candidate for the Presidency in your party. I wonder how you assess the record so far, primary success yourself, and if you do succeed, as you hope you do, of course, in Illinois, North Carolina and New York, where does that leave you with reference to Mr. Reagan?

THE PRESIDENT: Let me put it in the context of where I think I will be. We started in New Hampshire behind; we won. We started behind in Florida, we won. We were successful in both Vermont and in Massachusetts. I think these successes have, beyond any doubt whatsoever, disposed of the myth that I could not win out of the State of Michigan. I have never lost an election outside of the State of Michigan in 1976 or any other time so that myth is gone.

I happen to believe that we will be successful in Illinois on Tuesday. I think we will be successful here in North Carolina. I always assume they will be close but the momentum is going and the people in the other four States have given us that momentum and they have given it to us because we have good programs. We have run a good campaign. What the impact will be on my opponent, that is for him to decide, not for us to determine.

QUESTION: Thank you.

QUESTION: Mr. President, in the event that your Administration wins the Presidential election, what kind of social proposals will you consider for improving programs for higher education?

THE PRESIDENT: For higher education?

QUESTION: Yes, sir, beyond the secondary level.

THE PRESIDENT: Well, the programs that we have carried out since I became President and the programs that I think we will carry out in the next four years are aimed at giving financial assistance both in grants and loans and work incentive programs to students.

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I believe the student ought to get the aid and assistance. The student is the proper beneficiary. Those programs, I believe, have been successful and they certainly will be carried out.

What programs beyond those for the next four years, we will have to wait and see, but we are pushing hard those programs that aid the student, and they have been successful and I think they will be.

QUESTION: One more question, Mr. President.

THE PRESIDENT: Sure.

QUESTION: You are not speaking on the point on the form of block aids or grants, are you, insofar as you consolidate all of your monetary plans in one form such as you proposed?

THE PRESIDENT: Well, I have proposed a block grant program for elementary and secondary schools, which is, I think, a forward looking step because at the present time we have roughly 27 elementary and secondary categorical grant programs. They really keep the decision-making as to lower education in Washington, not at the local or State level.

So I have recommended to the Congress that we consolidate those 20-plus elementary and secondary school programs into one block grant program, and then let the same or more amount of money -- in fact, we have recommended more money -- the decision-making be determined at the State and the local level. I believe that the problems of North Carolina elementary and secondary education are quite different than those may be in Alaska or the ones in Maine may be different than those in Florida, so they end up with the same or more money but the decision as to how that money from the Federal Government should be spent would be made locally.

I think that makes a lot of sense. I know it cuts down the red tape, I know it would cut down on Federal bureaucracy and I think it would be good for education. But we have at this point no specific plans for a block grant program as far as higher education is concerned.

QUESTION: Thank you, Mr. President.

THE PRESIDENT: Thank you all very much.

We can all go watch for a couple of minutes the basketball game.

END (AT 12:35 P.M. EST)

#29
4/2/76

PRESS CONFERENCE NO. 29

of the

PRESIDENT OF THE UNITED STATES

10:12 A.M. CST
APRIL 2, 1976
FRIDAY

In the Crystal Ballroom
At the Marc Plaza Hotel
Milwaukee, Wisconsin

THE PRESIDENT: Thank you very much, Mr. Thompson. If I could take one minute.

Flying out here this morning I learned that the Department of Labor issued some more good economic news. They indicated that the unemployment figure went down again for the month of March to 7.5 percent. I ask you to compare that with 8.9, as I recall, in May of 1975.

The most encouraging news was the fact that this report indicates that 86,700,000 people are gainfully employed -- the highest number of people employed in the history of the United States -- and since March of last year we have added 2,600,000 more jobs in the United States. So we are making real progress in reducing unemployment and, at the same time, increasing employment.

With that, I will be glad to answer any questions.

QUESTION: Mr. President, I really have two questions, if you will.

Milwaukee has been ordered to integrate its public schools. Do you have any thoughts on how to achieve racial integration?

THE PRESIDENT: Well, I have always believed that the Constitutional right of equality must be protected by the courts of the land and by all other public officials. On the other hand, I do not believe that court ordered forced busing to achieve racial balance is the right way to get quality education.

We have ample evidence that in those instances where it has been applied--court ordered forced busing--there has not been an increase in quality education. It is my belief that there is a better way to improve educational opportunities and, at the same time, to improve the integration of our society as guaranteed by the Constitution.

The Esch Amendment, which was passed by the Congress in 1974 and signed by me, provides a series of steps whereby we can desegregate and, at the same time, improve educational opportunity with an emphasis on the neighborhood schools.

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I will not pass judgment on any one court order because that is a responsibility of the Judicial system, and I will, of course, under the oath of office that I took, have to enforce the law as decided by the courts, but if you want quality education, which I think we all want, court ordered forced busing is not the best remedy.

QUESTION: Every indication we have says that you will win in Wisconsin. How do you predict that you will do on April 6?

THE PRESIDENT: I always assume -- I think it is true here in Wisconsin -- that we will win, but I am not going to get in any numbers game. It is a hard battle. I think we have the affirmative programs and affirmative policies both at home and abroad, and I believe that a majority of the people voting in the Republican primary in Wisconsin will support my candidacy.

QUESTION: Mr. President, in regard to the good job news, now there is a Teamsters strike that might cloud up the job picture. How long will you wait before invoking the Taft-Hartley Act as the talks progress?

THE PRESIDENT: We are counting on the labor-management negotiations to settle the differences. I have been in constant communication with the Secretary of Labor, Mr. Bill Usery, who is working with both labor and management trying to get an agreement. As a matter of fact, I talked to him last night late and he called me this morning as we arrived here in Milwaukee, and no settlement has been agreed to, but progress is being made and I don't think it is advisable for me to comment as long as the two parties are negotiating.

I am optimistic and hopeful and, therefore, it is my belief that the proper procedure is to let the negotiations take their course and I think a settlement will be accomplished.

QUESTION: Mr. President, Governor Reagan has raised questions about the sovereignty of the Panama Canal. Will you tell us who owns the Panama Canal and who will own it in 10 years?

THE PRESIDENT: Well, the United States made an agreement a good many years ago for the utilization of a strip of land and for the construction of a canal. The United States over the years has maintained the national security of that strip of land and the operation of that canal, and we have operated the canal.

The White House, with President Johnson first, President Nixon second, and myself third, has been negotiating with the Panamanian Government to find a way to avoid the kind of incident that took place in 1965 where 30 people were killed, including, as I recall, some 10 Americans. If we can negotiate an agreement which will protect our right to defend that canal and to maintain and operate that canal, there is a possibility that an agreement will be reached but none has yet, and it is something that is in the negotiating process and no further.

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QUESTION: Mr. President, with Syria poised to invade Lebanon, there are some fears of a full scale war erupting in the Mideast. How does the Administration view the events?

THE PRESIDENT: The Administration has taken a very firm position that no outside Government should invade Syria (Lebanon). That means no government should move in and try to, with military force, take care of the situation in Syria (Lebanon). Furthermore, we have strongly urged a cease-fire. And two days ago I sent a personal envoy, Mr. Dean Brown, to Lebanon. He has been in contact with the various parties there. I believe that his efforts were significant in getting the cease-fire which is now in place and if we can keep that cease-fire, get a change in the Government, I think the danger of any invasion by any party will not materialize.

I repeat, we are against the invasion of Lebanon by any force and we are seeking to get, and have helped to achieve, a cease-fire which is the first constructive step to stabilize and to improve the situation.

QUESTION: Mr. President, could you tell us something about the fruits of your conversations with Governor Connally last night?

THE PRESIDENT: Governor Connally and Mrs. Connally are very good friends of Betty and mine. We have known them rather well for some 15 years. Over the years we have always discussed politics. We have always discussed issues, particularly national defense issues. We spent about three hours together last night. We covered those same subjects. We talked about politics, we talked about the campaign, we discussed issues and we certainly discussed the national defense policies because he was a former Secretary of the Navy and I was formerly on the Defense Appropriations Committee for 12 years and I knew him then and we both understand and certainly are knowledgeable about defense policy.

But other than those broad comments, I think I should not say any more.

QUESTION: Did you in any way discuss his role in the campaign or what he might do for you in Texas?

THE PRESIDENT: We discussed the campaign, both as far as the country was concerned in the primaries as well as the run-off in November of this year. Governor Connally indicated to me that something he said before, that he thought I would win the nomination, but other than that specific, I don't think I should divulge the content of the discussion.

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QUESTION: Mr. President, Jimmy Carter says the biggest issue in this campaign is restoring integrity to Government; Morris Udall says it is jobs; Henry Jackson says it is detente; and Ronald Reagan says it is eliminating the Federal bureaucracy. What, in your opinion, is the most specific, biggest issue in this campaign?

THE PRESIDENT: Well, the issue of integrity of Government, I think, is settled as far as my candidacy is concerned. A House and Senate Committee went into my background, my record in great, great depth more than any other person has been investigated in the history of the United States, and so far as I am concerned, I have a proven record of integrity as far as my own life is concerned, but from the point of view of the issues, I think it is the building up and the strengthening, the fortifying of our economy to restore the kind of permanent prosperity that we must have so that anybody who wants a job can have a job and, secondly, that we can get the rate of inflation down in the range of two to three percent or less.

I also think it is vitally important that we maintain the peace that we have, a peace through strength, a peace through negotiation, not confrontation, a peace that will not take us back to the cold war era like some people want. If we can keep peace and maintain or achieve prosperity, and my policies do it, I think those are the issues.

QUESTION: Mr. President, one other question. How do justify Secretary of State Kissinger's logic that Cuba should not send their troops to Angola, in light of our own recent involvement in Vietnam?

THE PRESIDENT: There is no comparison whatsoever. In the case of Vietnam, there was an established government. We were invited in to participate in Vietnam. In the case of Angola, there were three forces that were competing, the MPLA, the FNLA and the UNITA. There was no government in Angola after the Portuguese left and so Cuba, by going in with 12,000 Communist mercenaries, were trying to establish a government to their liking. It is a totally different situation, not comparable to Vietnam at all, and that kind of adventurism the United States will vigorously condemn and take appropriate action in the future.

QUESTION: Mr. President, I am from the Marquette University Radio Station. Since you announced your \$700 million student aid cut there has been a bit of an uproar among the students. How would you explain to the students across the country the necessity of a cut this large when it might force many of them to leave school?

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THE PRESIDENT: Just yesterday or the day before for the fiscal year 1976 and for the school year of 1976-77 I submitted to the Congress a revision in the budget to permit the increase up to \$1 billion 100 million in what we call basic opportunity grant programs. Last year when I submitted the budget for that I recommended roughly \$1 billion 100 million, the Congress cut it and made some other changes. Just a day or two ago I asked the Congress to take it back up to \$1 billion 100 million. I hope they will do so. If that is the case, it will provide a maximum allowance of \$1,400 per student, maximum, and an average, as I recall the figure, of about \$850 per student. I am trying to get the Congress to do what I asked them to do when I submitted the budget for fiscal year 1976, \$1 billion 100 million.

QUESTION: Thank you.

QUESTION: Mr. President, do you have any plans to change your campaign strategy, perhaps take a more direct approach toward Mr. Reagan after his remarks Tuesday night?

THE PRESIDENT: I think we have to recognize that Mr. Reagan's political speech the other night was a rerun primarily of what he has been saying in Florida and in North Carolina. It was a speech that was filled with misleading statements, it was a speech that attributed certain quotes to Secretary Kissinger which were a fabrication and invention. I am not going to get into the details. I am going to talk affirmatively about what we have accomplished, both at home and abroad, and I think the voters will support that kind of a program rather than a political attack without any recommendations how to solve the problems that he discussed.

QUESTION: Do you think Mr. Reagan is an issue in the campaign?

THE PRESIDENT: I think that is for the public in Wisconsin and elsewhere to make the decision.

QUESTION: Mr. Ford, this is another President on another question on issues. So far as the campaign rhetoric goes, there seems to be two candidates who have preempted the issue of so-called bloated stumbling bureaucracy, Carter and Reagan, yet you are considered by many voters a conservative, and earlier in your Administration you talked about this problem a good deal. If Reagan fades, is this something you could pick up on as a campaign issue, is it something that concerns you?

MORE

THE PRESIDENT: I have done more than talk about trying to get the bureaucracy under control. The first decision I made when I became President, in August of 1974, was to insist upon a cutback in the projected increase in Federal employment of 55,000 and we achieved that reduction.

Number two, I ordered, about six months ago, the Director of OMB to cut back on the number of forms that are required by the American people to fill out and submit to the Federal Government. I ordered a 10 percent cutback. We have achieved a 5 percent cutback already and by July 1 of this year I am assured that we will have accomplished our record of a 10 percent cutback in the forms that plague the American people where they have to fill out this, this and this. It is a record of performance both as to a reduction of U.S. Government personnel and a reduction in the red tape and bureaucracy in the Federal Government.

MORE

QUESTION: How about the structure of the Federal bureaucracy which Carter talks about completely reorganizing?

THE PRESIDENT: The structure of the Federal Government is always under review and the Office of OMB is constantly going into every department to try and get rid of functions and responsibilities in individual departments to improve their management. It is a possibility that in the next Administration that we would undertake something comparable to the Hoover Commission which was set up first in 1946 and came through with its recommendations, and a second Hoover Commission in 1953 or 1954, as I recall. That is a possibility in the next Administration and, if I am the President, which I think I will be, we will have something comparable to the first two Hoover Commissions.

QUESTION: Would zero base budgeting be one of the things you would look at?

THE PRESIDENT: Well, the Hoover Commission did not go into the financing aspects. It went into the organizational structure of the Federal Government, and a third Hoover Commission -- if that is the right name -- would probably go in again trying to analyze the existing structure of the Federal Government and make structural recommendations and consolidations and eliminations.

QUESTION: You are not interested in zero based budgeting as an idea?

THE PRESIDENT: I am very interested in reducing the expenditures of the Federal Government, and if the Congress would go along with my budget for fiscal year 1977, we would cut roughly \$28 billion out of the projected Federal budget for that fiscal year, and so I am very definitely interested in reducing the growth of Federal spending. And if the Congress goes along with a budget that I submitted for fiscal 1977 and does what I have projected in the next two fiscal years, we can have a balanced budget and we can have an additional tax reduction.

QUESTION: Thank you.

QUESTION: Mr. President, at this point in the campaign, who are you considering as your runningmate should you win the nomination?

THE PRESIDENT: We have a great number of very qualified Republican potentials for Vice President; I have named them from time to time. We have some Governors, some former Governors. We have some Members of the Congress -- House and Senate. We have some others outside of Government. So we have a vast potential of excellent candidates, but it is premature now to identify any one or even several.

MORE

QUESTION: You have not narrowed down the list?

THE PRESIDENT: I have not concentrated on that in recent weeks but, I reassure you, we have plenty of excellent potentialities.

QUESTION: Mr. President, it has been said that perhaps at least after Kansas City and maybe before you would like Ronald Reagan's support. Does that cramp your style now in answering him? Is that why you say you don't like to get into a discussion with him on the issues?

THE PRESIDENT: I think it is important for the Republican Party and its candidates to maintain as much unanimity and unison as possible, and I have tried to keep down any personal attacks. I have sought to discuss my programs affirmatively, both foreign policy as well as domestic policy. I think that is the way to keep this unity within the Republican Party.

Furthermore, never in my history of some 13 campaigns have I ever personally attacked any opponent -- I don't think that is productive.

QUESTION: Would you once again comment on his specific charge in his broadcast where he says that we are a second rate power and he quotes Admiral Zumwalt?

THE PRESIDENT: I will be very, very glad to discuss our military capability. The United States is unsurpassed by any other nation as far as military capability is concerned.

Now, let me talk about our strategic forces. The strategic forces of the United States, ballistic missiles -- ours are much more accurate than those of the Soviet Union. Ours are much more survivable than the Soviet Union ballistic missiles. We have far more warheads and about a two to one ratio over the Soviet Union, and it is warheads that do the damage if they are ever used, and we have a lead of about three to one in strategic aircraft -- B-52s and others.

So the United States has the kind of strategic military capability that our military advisors over the years have indicated they thought was in the best interest of the United States. So any charge that the United States is not fully competent in a strategic sense is inaccurate.

QUESTION: Well, sir, are you saying, then, that we are definitely number one and that Mr. Reagan is absolutely incorrect?

MORE

THE PRESIDENT: I am saying that we are absolutely unsurpassed in military capability and we have the full capability in a military sense to deter aggression, to maintain the peace and to protect our national security, and we have the kind of a military force that our Chiefs of Staff recommend that we have for our national security.

I might add, if there is any criticism -- any legitimate criticism -- of our military capability, I suggest those who criticize it look at the record of the Congress for the last six years where the Congress has cut \$32 billion out of the defense appropriation bills.

I add very quickly, the two budgets that I have submitted to the Congress for their consideration, I included last year the highest peacetime military budget in the history of the United States and this January I submitted again the highest military budget in the history of the United States.

Last year the Congress cut \$7 billion out of that budget. This year, as I have indicated, if they make major reductions I will veto their appropriation bill for the Army, Navy, Air Force and Marines.

I have an impeccable record of standing for a strong Defense Department and a fully capable, fully trained, fully equipped and ready military force, and any accusation to the contrary is a lack of knowledge or for political purposes.

QUESTION: Mr. President, if that is the case and inasmuch as we are told that in Texas today Senator John Tower is going to challenge Mr. Reagan to debate the Senator on the issue of national security, why do you not accept Mr. Reagan's challenge to debate him yourself?

THE PRESIDENT: Well, we have indicated over the whole period of time that I should talk affirmatively about the programs and the record that I have. I think that is the way for me to proceed.

If Mr. Reagan wants to make the kind of political criticism that he has made on several occasions, including last Wednesday, that is his privilege, but I don't think the American people will buy it.

MORE

QUESTION: Don't you think the American people would have a better opportunity to weigh the arguments on both sides if you were to shape them at the same forum?

THE PRESIDENT: I don't think debate is needed and necessary. The facts and figures are outlined, I have stated them. As far as we are concerned, we have more survivability, more accuracy, more warheads by a significant amount. We have a three to one lead in strategic aircraft. Those are the facts and those are the recommendations of our Joint Chiefs of Staff, and any debate with a person who is not familiar with the facts I don't think would be helpful.

QUESTION: Mr. President, may we have one more question, please?

THE PRESIDENT: Sure.

QUESTION: Mr. President, following up on the \$32 billion that you said was lopped off the defense budget, well, if the present trend continues, couldn't the United States very well find themselves in that number two slot?

THE PRESIDENT: If it went over a long period of time, yes, and that is one reason why I strongly am trying to get the Congress to go along with the \$112.4 billion defense budget which I recommended in January in what we call obligational authority and \$101.1 billion in expenditures for the Army, Navy, Air Force and Marines in the next fiscal year.

If we keep the trend that I have recommended, we will stay ahead of any other military force in the world and that is why I changed the direction, or changed the trend, so we would maintain the fact that we are unsurpassed.

QUESTION: Sir, if you are not able to push this legislation through, will then we be in a position of being in danger of being number two?

THE PRESIDENT: Well, if the Congress makes the cuts in this fiscal year like they have made over the last fiscal year, yes, the trend would continue in the wrong direction -- the trend that the Congress has imposed upon Presidents. If the Congress follows my defense budget this year and if they had followed the one last year, the trend would be reversed and we would continue to maintain our total strategic conventional war capability.

So the issue is now on the desks of the Congress. My program keeps us unsurpassed. So the Congress now has the responsibility, and if they cut it, the bill will be vetoed, as I indicated earlier this week.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you very much, Mr. Thompson.

#30
4/10/76

PRESS CONFERENCE NO. 30

of the
PRESIDENT OF THE UNITED STATES

9:13 A.M. CST
April 10, 1976
Saturday

In the International Ballroom
At the Fairmont Hotel
Dallas, Texas

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

We had a great day in Texas yesterday. One regret, I wish I could have stayed and watched the Rangers win that ball game last night. It must have been a real fine game, 11 innings, excellent. You all loved it in Texas, didn't you?

Yes?

QUESTION: Welcome to Texas, Mr. President. The Dallas Sigma Delta Chi is pleased to have a chance to ask you this question.

The first question is, last night you talked about stopping the flow of illegal drugs across the Mexican border. What is your Administration doing to stop the flow of illegal immigrants across the Mexican border?

THE PRESIDENT: First, in the budget I submitted for fiscal 1977, we have increased the funds or will make available more personnel to work with local authorities. I have discussed the problem with the President of Mexico, President Echeverria.

The top legal authorities in this country have continued their work with the authorities on a comparable level in Mexico. It is a very serious matter, and we are doing our utmost in every way possible to prevent the flow of illegal aliens into the United States.

Yes, sir?

QUESTION: Mr. President, a few weeks ago Deputy Secretary of Defense Bill Clements was in Dallas, and at a press conference he was asked a question about the Panama Canal negotiations. He said that there is a possibility that those negotiations might result in a partnership between the United States and Panama in the operation and defense of that canal. Is there such a possibility?

MORE

THE PRESIDENT: I think it is premature to come to any conclusion as to what might be the final resolution of the longstanding differences between the United States and Panama. Three Presidents have had representatives negotiating on this very controversial issue.

I can simply say -- and say it very emphatically -- that the United States will never give up its defense rights to the Panama Canal and will never give up its operational rights as far as Panama is concerned. Since there is no resolution today, I don't think I should prejudge any detailed final settlement in this conflict or controversy.

I can assure everybody in the United States that we will protect defense and operational responsibilities as far as the Panama Canal is concerned.

QUESTION: Mr. President, if requested, will you commute the sentences of or pardon any other Watergate conspirators?

THE PRESIDENT: I would expect that all requests for pardon or any other action would come through the normal channels, through the Pardon Attorney in the Department of Justice. It would be inappropriate for me to make any comment because none of those requests have come to me through the proper authorities. Until and unless they do, it is inadvisable for me to make any conclusion one way or another.

QUESTION: Mr. President, in view of the heightened tension in the Middle East, especially with the Soviet-backed penetration of Syria into Lebanon and increased activity of the PLO, do you think your policy of curtailing defense funds for Israel is expedient or do you plan to re-examine that policy with regard to restoration of the \$550 million in interim funds? Also, what is our Government going to do to prevent the Syrian-Soviet takeover of Lebanon?

THE PRESIDENT: First, let me set the record straight. In the fiscal year 1976 budget for foreign aid, I recommended \$1.5 billion for military assistance for Israel, half of which would be forgiven, which means half of it is a grant -- not a sale or loan -- and in addition I recommended \$700 million in economic aid and assistance to Israel for a total of \$2.2 billion for Israel in a 12-month period.

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Number two, for fiscal year 1977 I recommended \$1 billion in military aid and assistance for Israel, again half of which would be forgiven. I recommended, as I recall, \$600 million in economic aid and assistance for Israel for a 12-month period, which means over a 27-month period I recommended to the Congress \$2.5 billion in military assistance, half of which would be forgiven, and something over \$1 billion in economic aid for Israel.

All of my technical advisers in the Executive Branch of the Government tell me that those funds are ample for military as well as economic assistance for Israel.

Now, the Congress, on a tentative basis, has added another \$500 million for military assistance. My technical advisers tell me that this is unneeded, unnecessary for the security and survival of Israel.

I think what I have proposed is fully adequate to meet any challenge that Israel might have for its security and survival.

On the second question, our policy in Lebanon, which relates to the whole Middle East, is number one, to achieve a cease-fire and a permanent cease-fire; number two, to accomplish a political settlement of a very complicated and controversial problem in Lebanon; number three, we are urging every partner, those within the Middle East and others, to have restraint until we can achieve a political settlement.

I don't believe that there has been any rash action by any party so far, and we certainly will use our maximum diplomatic influence to make certain that doesn't happen.

MORE

QUESTION: Mr. President, don't you consider what is happening there in the past week, with all the killing going on, and we know this is backed by Soviet arms, don't you consider this a heightened thing, and don't you consider that rash military action, and if, Syria does take over and Israel is faced with another border with a hostile force, don't you think in view of all this that perhaps you should reconsider your judgment, your previous judgments?

THE PRESIDENT: You are presenting the worst possible case. We do not expect that to take place or transpire, and we are maximizing our efforts to prevent it to preclude it. And I don't think it will happen.

Therefore, the military recommendations of \$2.5 billion for Israel is fully adequate to meet the circumstances we think will take place.

QUESTION: Mr. President, just a few weeks ago in this very hotel Secretary Kissinger said that we will no longer tolerate any further Cuban intervention abroad.

And I am wondering just how far you are committed to back up that threat, especially in the view that there are now some 20 Russian combat pilots in Cuba?

THE PRESIDENT: Let me say that the statement made by Secretary Kissinger, in effect, is my statement. I believe that, and he was carrying out what I have personally said myself.

Number two, over a longer period of time, there have been Soviet pilots in Cuba. We don't believe that there is any significant change in that situation today from the past, and we certainly will be alert to recognize any change if one does occur, and we would object if there was any significant change.

QUESTION: Mr. Ford, several Members of the Congressional Black Caucus and other black political leaders have said that they will not endorse a Presidential candidate right now because they are not addressing themselves to the specific needs of Black Americans, high unemployment, welfare and things like that.

What will you do to get the Black American vote, and just how important is that vote to you?

THE PRESIDENT: I want the votes to the maximum degree possible of all elements of our society.

I don't believe that one should make a specific appeal to any segment of our society for a vote on the basis of what I promise.

MORE

It is my aim and objective, it has been, it is and it will be, to have a program that meets the needs of all segments of our society.

I recognize that there are certain interests that one group or another may have. In the case of blacks, the minority economic assistance program.

We have done well in that. We have done very well in trying to provide summer youth employment. I recommended the maximum possible under the law, and that has a particular impact on minority youth because they have the highest rate of unemployment.

So what we try to do is to recognize a problem that affects all of our citizens. If it affects one group more than another, and we get an answer, it, in my opinion, is the right approach.

But to offer as a specific program to a particular group in order to get their votes, I don't think that is the way a candidate for the Presidency should operate. I don't intend to do that.

QUESTION: Mr. President, this is a question about John Connally, milk mustache or not, Mr. Connally would definitely be an asset to you, especially in Texas now and as a running mate.

If he does not support you in the campaign, will this automatically erase him as a running mate possibility?

THE PRESIDENT: John Connally has made a decision which was his decision, as I understand it, not to support any of the two Republican candidates in the primary.

I respect his judgments. John Connally is a very close personal friend of mine. I have great respect for his record in public office and his record as a citizen of the State of Texas. I wouldn't think that his failure to support me would in anyway whatsoever prejudice any opportunity to serve in my Administration for the next four years.

QUESTION: Mr. President, in view of your remarks last night concerning drug traffic across the borders of Texas and Mexico and the increased Government pressure and crackdowns on pushers especially, will there be any utilization of the so-called "Shaffer Commission Report", the President's Commission on Marijuana and Dangerous Drugs and a re-evaluation of what you consider dangerous drugs and dangerous drug traffic, i.e., with regard to the decriminalization or legalization of marijuana?

THE PRESIDENT: I do not believe in the decriminalization of marijuana. I have said that many, many times. There is no conclusive evidence that I have seen. Much research has been under taken. I see no preponderance of the evidence which indicates to me that marijuana doesn't have an adverse potential impact on American's health. Until there is that kind of evidence, I strongly believe, I am against the decriminalization of marijuana.

QUESTION: Mr. President, before coming to Texas you indicated that you felt you were coming as the underdog. How do you feel you will leave?

THE PRESIDENT: I am greatly encouraged, but I still think we are the underdog. I am getting more optimistic because we have had a great response since we have been in Texas yesterday, and the response today so far has been equally good.

We have a fine leader of our organization in Senator John Tower. We have a wonderful group of volunteer workers. I think we have the right policies, not only for Texas, but for the country, so as we move closer and closer to that very crucial primary, I think we will do increasingly better, and we might surprise some people.

QUESTION: Mr. President, you said that you have the right policies for Texas. Your signing of an energy bill has not been popular in Texas. How are you justifying this to the Texas oil industry?

THE PRESIDENT: I think a little history might be helpful. In January in the State of the Union Message I came out wholeheartedly for the deregulation of oil, as well as the deregulation of natural gas.

As a matter of fact, I said that Congress should authorize the deregulation of oil by April 1, 1975. Unfortunately, the Congress did not follow my recommendations of better than a year ago. After laboring long, from January through most of December, the Congress sent me a bill that included four of the 13 energy proposals that I recommended in a mix of good and bad in the remainder of the legislation.

As I analyzed the pros and cons, it seemed to me that the best choice for me under those circumstances was to sign the bill and to try to get the Congress to do what I had recommended in January, which was not only the deregulation of oil, but the deregulation of natural gas.

I think we are making headway. We have had some disappointments, but my firm personal conviction today is what I recommended to the Congress in January of 1975.

QUESTION: Mr. President, the House committee report released last week indicated that the Administration underestimated the proposed budget by nearly \$8 billion. Would you comment on this, and also tell us in light of election year pressures, how hard you will fight and how far you will go to hold down Federal spending?

MORE

THE PRESIDENT: That is a matter of judgment. The several budget committees made their own calculations as to what expenditures ought to be. I strongly disagree with the increased expenditures that those budget committees are proposing. The \$394.4 billion spending recommendation that I proposed I believe today is the right one, and I regret that the Congress has recommended or the two committees in the Congress have recommended additional spending.

I don't think it is necessary. As I have said many times in the last 19 months, I have vetoed 47 bills and 39 of those have been sustained, and we have saved the taxpayers \$13 billion. If the Congress sends down in the coming months additional bills for overspending, I will continue to veto them again, again and again.

I think the Congress is wrong. We don't need that extra spending.

QUESTION: Mr. President, in view of your answer a few minutes ago about the black vote and whether you would try and achieve this or not, in view of the fact that many political candidates who have either ignored the possibility of blacks actually putting them in office or not, is it correct to assume that you either don't care about the black vote or you feel that the black vote will have no weight during this Presidential election?

THE PRESIDENT: I would like as many supporters in the black community as possible. I have always had it in my own Congressional race. I have always believed that the black community should play a meaningful part in an election. I intend to do what I can in presenting the broad programs I have recommended and I believe they will help and assist all minorities.

But, to go out and offer a particular piece of legislation for any segment of our society in order to get them to vote for me I think is the wrong approach for a Presidential candidate. I want help, and assistance, from the black community, but I don't intend to sacrifice my overall approach, which I think is in the best interest of the world.

QUESTION: Mr. President, yesterday you took your hard line stance again on heroin traffic here in this country, and there has been some talk among Texas representatives that some budget allocations for immigration agents along the Texas-Mexican border could be cut back a little bit, necessitating a drop in the number of agents guarding the border.

MORE

I think you are aware there has been a larger amount of heroin traffic coming across from Mexico. Would you be in favor of increasing the budget for immigration agents to watch the border?

THE PRESIDENT: As I said last night, 80 or 90 percent of the heroin that comes into the United States comes across our Southern borders. We have proposed that there be a beefing up of our total Federal law enforcement efforts in this area in order to meet this challenge.

Now, if we find at any point that more people are needed or more money is required to meet this problem, I will be very, very anxious to suggest additional appropriations, but it has to be shown as a matter of need.

I think based on the facts that were presented to me in November and December of last year, when we put the budget together, that what we recommended was adequate, fully adequate. But, if the circumstances prove otherwise, of course I would recommend the additional funds, if needed.

QUESTION: Mr. President, have you and Governor Connally had any conversations or talks about the possibility of his being your runningmate or taking a high Cabinet post?

THE PRESIDENT: We, in our very delightful dinner at the White House about a week ago, covered a wide range of matters, including politics, but I don't think I should divulge a personal conversation between my good friend and myself. It was a very broad discussion.

MORE

QUESTION: Mr. President, while Rogers Morton was in Fort Worth this past week, he predicted that you would probably talk to a wide range of top Republicans before choosing your running mate, is that correct?

THE PRESIDENT: I think it is the obligation of a Presidential candidate to encourage recommendations from all segments of our party and in Kansas City and perhaps before I will certainly solicit such recommendations from people in the party from all over the country.

QUESTION: Mr. President, when Ronald Reagan was in Dallas earlier this week, he reiterated his concerns about Eastern Europe.

Last Friday, you reiterated this country's support or responsiveness, I believe you said as responsibly as is possible to the aspirations for autonomy of Eastern Europe.

How far would your Administration go in the event of an uprising such as in Hungary in the '50s and Czechoslovakia in the '60s?

THE PRESIDENT: The Helsinki agreements provided that we would support all peaceful means of individuals or nations achieving their freedom. I don't believe the United States should say we are going to war if certain things happen in Eastern Europe.

I think we ought to work with individuals and with countries to make sure that their freedom and their independence is achieved and maintained, but to say the United States would take military action under certain circumstances is not the proper attitude for a President of the United States to take at a time when we are at peace.

We ought to encourage individuals and national freedom and independence, but I don't think we should rattle our sabre. I think we ought to work within the overall context rather than to say we will do something in a military sense.

QUESTION: Mr. Reagan is rattling his sabre?

THE PRESIDENT: I wouldn't want to judge that. I can only speak authoritatively about my own policies, which I have tried to in response to your question.

QUESTION: Mr. President, in your speech last night, you alluded to the progress that has been made in treatment and rehabilitation of drug abusers and said that you plan to step up those programs. In this city today, drug treatment programs are operating in excess of their capacity, and in some cases even putting addicts on waiting lists.

Can you give us a more specific idea what improvements in those programs you will propose and when?

MORE

THE PRESIDENT: In the budget for Fiscal Year 1977, we increased the amount of money for the treatment programs where the Federal Government has a responsibility.

On the basis of the recommendations that came to me from the authorities in the Executive Branch, the money was increased, there will be an added number of treatment opportunities

If there is a need for specific help here in Dallas, either under the LEAA program or any other Federal program, we will do our utmost to be helpful.

QUESTION: Mr. President, a couple of campaign questions. One, in view of what has been made public thus far in the Callaway affair, do you believe he acted too hastily in leaving your campaign?

Secondly, in the Texas primary, I believe your Texas campaign Chairman, Senator Tower, has been quoted as saying unless Mr. Reagan gains at least 75 percent of the Texas primary vote or delegates that he should drop out of the race. Do you agree with that?

THE PRESIDENT: First, the action taken by Bo Callaway was his initiative. He said that although he expected to be totally cleared, he felt that the possibility of Senate hearings, the added news media discussion of his circumstances would injure my campaign.

On the basis of his request, I accepted his resignation. I think he did, under the circumstances, what was right and I applaud and I thank him for his unselfishness in these circumstances.

Number two, as I said, we are doing our utmost to do well here in Texas, and I think we are going to do increasingly better. I think it is premature for me to make any recommendation to former Governor Reagan, that is a decision for him to make. So I am not going to, under any circumstances, advise him. That is his choice, not mine.

QUESTION: Can you estimate a percentage in the primary?

THE PRESIDENT: No, I don't play the numbers game.

MORE

QUESTION: You talked about cooperation from the Mexican Government in stopping the hard drug flow. What are you doing to get similar cooperation from that Government in stopping the abuse of U. S. citizens in the Mexican prisons?

THE PRESIDENT: We, of course, expect every foreign government to work with us in the protection of the rights of American citizens. We have, through the proper channels in this case, indicated our deep concern for the protection of the rights of American citizens in Mexico.

On the other hand, we repeatedly tell Americans who go to other countries that they have to live up to the laws of those countries. It's a two-way street. We don't condone violence in this country in violation of our laws, and I don't think we should condone violence in other countries in violation of their laws.

But I can assure you that through proper channels, we have indicated very strongly that the legitimate rights of all Americans in those countries should be fully protected, and we will continue that policy.

QUESTION: Mr. President, since we are running out of questioners, may I ask you two questions? One is, have you seen "All the President's Men", and if so, what do you think of it?

The second question is, what you think of kiss-and-tell Secretary of State? (Laughter)

THE PRESIDENT: I have not seen "All of the President's Men". I have been a little busy, so I just haven't seen it, and as far as I know, I have no plans to see it, but I don't quite understand the second question.

MORE

QUESTION: I think it might have reference to the Secretary of State's enjoying parties and things like that and enjoying the limelight.

THE PRESIDENT: The Secretary of State, I know from personal contact with him, works about 14 hours a day, if not more, and if he wants to have some relaxation, I think that is a personal choice on his part, and as long as he does the job and does it well, which he is doing, I am not going to make any comment about a couple of hours a day where he relaxes and enjoys himself. That is his choice.

QUESTION: Mr. President, it has been reported that former President Nixon's report to you on his trip to China had very little useful substance, is that correct?

THE PRESIDENT: It was very interesting; it was very useful. I read it not once but several times. I was glad to get it. As I said, it was interesting and useful. We will have to wait and see how some of his comments relate to what has happened or may happen in China. But, other than that, I don't think I should comment.

QUESTION: Both you and Governor Reagan apparently consider yourselves underdogs in Texas. Who is the favorite?

THE PRESIDENT: I thought from everything I have read that Governor Reagan came into Texas with the anticipation and expectation that he would win a substantial majority of the delegates here. That is what I read from his campaign managers or other people involved in his campaign.

I looked at the amount of time that he will be spending here, so I believe he anticipates a substantial campaign. He said he was going to all 24 Congressional districts, that he was going to maximize his efforts. As far as I could tell from the press statements, he thinks he is a favorite, or his people do.

We recognize that we came down here as an underdog, but underdogs often win, and we are sure going to try.

QUESTION: Mr. President, why do you consider yourself an underdog?

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THE PRESIDENT: That is a good question because the policies that I have followed for the country as a whole have benefitted I think Texas, as well as the rest of the country. Economic conditions are good in Texas, and they are getting better, and they will get even better.

I have strongly supported a very up-to-date modern unsurpassed military capability, and Texas has a great many military installations, so that policy on my part ought to be fully supported by people in Texas.

But, from what I understand, in the Republican primary there is a situation where we might be an underdog. I am confident that after getting nominated in Kansas City against whoever the Democrats nominate, we will do very well in Texas in November.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all very much. It is nice to see you, and we expect to have another good day in Texas.

END (AT 9:49 A.M. CST)

#31
4/29/76



PRESS CONFERENCE NO. 31

of the
PRESIDENT OF THE UNITED STATES

9:32 A.M. CDT
April 29, 1976
Thursday

In the Imperial Ballroom West
At the Hyatt Regency Hotel
Houston, Texas

THE PRESIDENT: Good morning. Won't you all sit down.

It has been great in Texas for the last two days. We are looking forward to a couple more. So, let's get started this morning.

QUESTION: I would like to ask you about what you said yesterday about Mr. Reagan. Does this represent a new turn in the campaign where you and he will take on each other directly, confront each other directly and personally?

THE PRESIDENT: It is not a question of personalities. It is a question of which candidate has the best policies, the best programs, which candidate is the one that is better qualified to do the job, and that is really the issue, what the people in Texas have to decide and what the people throughout the rest of the country must decide.

We have laid out our program, which is a very complete and a very detailed program, both at home and abroad, a program with a record, and my opponent is coming up with some rather simple, some rather lacking in detail answers, and I think the people in Texas must decide it on those policies rather than on personality.

QUESTION: Why do you not refer to him by name?

THE PRESIDENT: That is sort of a tradition you do in politics.

QUESTION: Mr. President, Dick Growald, UPI.

Mr. President, you said you would welcome a battle in November between yourself and Senator Humphrey as providing a clear battle issue of philosophy. What will be the nature of the battle between yourself and Jimmy Carter, especially in view of former Governor Carter saying you failed to provide leadership in all areas?

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THE PRESIDENT: If by chance former Governor Carter is the Democratic nominee, again it will be a challenge between a proven record on my part, where I think we have been very successful in taking a very bad economic situation and turning it around so that we are now on a stable and a constructive road to economic prosperity, and where our foreign policy in my judgment has been one of strength and success. It will be a contest between Carter and Ford on a record and a challenger.

QUESTION: Mr. President, Michael Morgan, KHOU-TV.

When we were up to speak with you last week at the White House, you mentioned that you thought you had closed the gap here in Texas between yourselves and Mr. Reagan. Has this four-day campaign by you closed the gap even more?

THE PRESIDENT: I have been very, very encouraged by the wonderfully warm reception we have received in Texas for the last two days, and I have met with a great many of my volunteer Ford people here in the State of Texas and they are getting more and more enthusiastic.

I find a good spirit and the determination and the net result is I think we have closed the gap. We are making it very, very close, and I am always optimistic. We certainly have generated a lot of momentum that I think could very well give us an opportunity to win.

But, we are working hard, we have good leadership, good programs, good policies, and in the next two days we hope to enhance the possibilities of success on Saturday.

QUESTION: Mr. President, Walter Rodgers, representing the Associated Press.

There has been a perceptible chill in U.S.-Soviet relations. You have dropped the word detente. Secretary Brezhnev's visit has been scrubbed and there is no immediate prospect that the SALT II treaty will be signed.

To what extent has the campaign been responsible for this very perceptible chill in Soviet relations?

THE PRESIDENT: I haven't detected any significant change in the communications between the Soviet Union and the United States Government. We are still working constructively in trying to find an answer to the limitations on strategic weapons.

We are trying to work in every way that I know to keep the lid on any outbreaks throughout the world. We are certainly encouraged by the purchase by the Soviet Union yesterday of 3,400,000 metric tons of corn and grain, which I think is an indication of their living up to the agreement that we signed for a five-year grain sale to the Soviet Union. I don't detect any deterioration in the constructive elements of a relationship between the Soviet Union and the United States.

MORE

QUESTION: What you call Mr. Reagan's superficial and simplistic charges, have they done any damage internationally and abroad, and if not, why have they upset you so?

THE PRESIDENT: Because they are not a true picture of our military capability on the one hand and, on the other, they could very well mislead our allies abroad and actually mislead some of our adversaries abroad.

We have a comprehensive, I think a very strong and fundamentally sound military program, and I can take credit for the fact that we apparently are able to reverse the trend that Congress imposed on previous Presidents as to our military capability.

The United States Government, if my military program that I submitted in January is carried through, there won't be any doubt about the strong and effective capability of our defense program in the years ahead, so that the charges made by my opponent, being lacking in depth, overly simplistic, have, in my judgment, at least created some problems potentially abroad because people might believe something that is inaccurate.

QUESTION: Mr. President, Bart Cannon, Houston News Service.

Trying to keep up with your campaign around the country, I know you have made some political appointments in primary States before you have gone there, and you have also dropped some grant funds in those States. I am trying to find out if you think the President should use that kind of influence to buy voters?

THE PRESIDENT: That is a completely inaccurate allegation. The business of Government has to continue. We can't stop making appointments, we can't stop agencies from awarding contracts or awards to cities or to States or to organizations just because a political campaign is in progress. The business of Government has to proceed and, under no circumstances, have any of these decisions been made in relationship to any primary.

QUESTION: Mr. President, Bill Broom of Ritter Newspapers.

One of the key issues in this Texas Republican primary seems to be whether you are conservative enough, and some newspapermen think they detected a shift toward the right in some of your policies and positions. Will this be a benefit or a handicap to you in the fall?

MORE

THE PRESIDENT: In the first place, Bill, the policies that I have carried out for the last 20 or 21 months in the White House have been the policies that I have believed in in the 25 years that I have served in the Congress of the United States. They are middle-of-the-road policies, both at home as well as abroad, and nothing that I have done, as far as I can analyze, would indicate any shift in my basic philosophy or in the implementation of that philosophy, and I believe that being in the middle of the road, as far as the Republicans are concerned on a nationwide basis, is the right policy, and I know it is the right policy in meeting a Democratic challenger in November.

QUESTION: You are confident you are conservative enough to win in Texas but middle-of-the-road enough to win in the fall?

THE PRESIDENT: I think so, right.

QUESTION: Mr. President, David Glodt with KTRK-TV in Houston.

Why suddenly the attack on Ronald Reagan openly? And secondly, are you saying that Ronald Reagan is in effect not fit to be President of the United States?

THE PRESIDENT: When I set forth our defense budget, when I carry out our foreign policy, it is predicated on an in-depth study before we make any decision, where I consult with the best experts we have within and without the Government and those policies have been successful, as I have indicated, and when they are challenged by oversimplified one-liners, in my opinion those challenges have to be met head-on by specifics, and that is what I have tried to do on an impersonal basis and that is what I will do from now on, because this country deserves to know the facts in a complex and very difficult area and you can't take just part of a problem and come to a certain conclusion. You have to look at the broad spectrum.

Now some of those statistics that the former Governor has used are statistics that we use in convincing the Congress to give to the President the kind of a defense budget that I have recommended. But in the process he only takes a very small part of those statistics instead of presenting the total picture. Let me give you an example.

In the strategic area, we have the most accurate, we have the most survivable ballistic missiles in the world and, at the same time, we have far, far more warheads, many more than the Soviet Union has, and, in addition, we have in our strategic forces a two-to-one or three-to-one ratio over them in long-range high-performance aircraft, so what you have to do is to take the total picture and not just a piece, which my opponent has done.

MORE

QUESTION: What about -- do you feel Mr. Reagan is fit to be President of the United States?

THE PRESIDENT: Well, that is a judgment for the voters of Texas and the voters in the rest of the country to decide. It is really a question of which individual is the best qualified to be President and, in that context, I think my record of performance in office is the best judgment that the voters can make, and I think in the final analysis they will make it for me and against someone who hasn't had the experience and the continuity in office.

QUESTION: Bonnie Angelo, Time Magazine.

The Panama Canal renegotiations have figured in the Texas primary in particular. In realistic terms, how important is the Panama Canal to our national defense?

THE PRESIDENT: The Panama Canal is not in the overall context as important today as it was in the past, although it is still a very vital part of our capability to move from the East Coast to the West Coast, and what I am trying to do is to maintain the useabilities of that Canal without hindrance, without bloodshed, without guerrilla warfare and without antagonizing 309 million individuals in South and Latin America. And if we break off those negotiations, we will unquestionably lead to bloodshed, we will have guerrilla warfare, the possibilities of the Canal being disabled, it would be very, very possible, so what we are trying to do is preserve the useability of that Canal ad infinitum, so to speak, so that it will not be lost to us as a part of our economic and military needs and necessities.

QUESTION: Mr. President, Bob Morrison, KTRH-Radio.

I would like to talk about the economy for a minute, if we could. There have been some analysts around the country, also your opponent has said that some of the economic measures your Administration has put into effect are merely stop gap measures and the country could possibly be in a recession in 1977 and 1978.

THE PRESIDENT: Those, of course, are typical campaign scare charges and have no substance whatsoever. We took a very serious economic recession that reached its bottom in April or May, a year ago, and by strong, affirmative, constructive policies we have been able to turn the economy around. We have reduced, for example, the rate of inflation from over 12 percent when I became President, down to less than 3 percent for the first three months of 1976. That is a 75 percent reduction in the rate of inflation. Now, those are trends that are going to continue whether it is an increase in employment, a decrease in unemployment and a reduction in the rate of inflation. Those are solid achievements and I think the Ford Administration can take credit for them and we are not going to have any lapse in the months ahead.

MORE

QUESTION: Then you feel the United States is on the course for a peacetime prosperity?

THE PRESIDENT: Absolutely.

QUESTION: Thank you.

MORE

QUESTION: Mr. President, Muriel Dobbin of the Baltimore Sun.

You have said you will not rule out Mr. Reagan as the Vice President because of statements he has made in the heat of the campaign, yet yesterday you described Mr. Reagan as superficial, glib, irresponsible and too inexperienced. Should your comments also be read in terms of campaign rhetoric, sir?

THE PRESIDENT: Well, I think you have to set the record straight. As I said yesterday, the charges he has made for the last month or two have indicated some desperation on his part and the more desperate you get, the wilder the charges, and I understand that. I have been through a number of political campaigns, but you have to meet them head on, and that is what we have tried to do, by pointing out that the United States is unsurpassed in military capability, that the United States does have this tremendous capability industrially, agriculturally, scientifically and technically.

That is the bottom line, not undercutting the capability of the United States.

QUESTION: Mr. President, Bob Raleigh, with KPRC Radio in Houston.

Income tax is something near and dear to the hearts of Americans this time of year. Do you favor income tax reforms and, if so, what would you like to see them become?

THE PRESIDENT: The best income tax reform that I know of is the kind of program I recommended to the Congress in January of last year, where I recommended an increase in the personal exemption for every individual taxpayer from \$750 to \$1,000. That would affect every individual taxpayer. That is the kind of reform that is meaningful, particularly to the middle income taxpayer.

Now, Congress ought to get on with that job. I have recommended for the period after July 1 of this year an additional \$10 billion reduction in taxes, 75 percent of it to go to individual taxpayers, 25 percent to business, so that they can increase their productivity, modernize their equipment and plant.

That is the kind of tax reform that means something to people who want jobs on the one hand and people who want more of their own money in their pockets so they can spend it rather than have the Federal Government spend it.

Now, all these other so-called tax reforms have been talked about for as long as I was in Congress. The way to get the job done is to increase personal exemptions, as I recommended.

MORE

QUESTION: Mr. President, Russ Ward of NBC News.

A political question, Mr. President. Hubert Humphrey is reported ready to enter the Democratic race on a formal basis. We would be interested in your reaction to this and then a related question. If Jimmy Carter is the Democratic nominee, as it now appears, how would you propose to go about winning the Southern conservative support that over the years has been needed for a Republican Presidential candidate to win?

THE PRESIDENT: I am not really the best expert on whether or not Hubert Humphrey is going to enter the New Jersey primary or whether by doing that he can stop Jimmy Carter or whether Jimmy Carter is going to get the nomination. As an outside observer, I think the win by Jimmy Carter in Pennsylvania Tuesday certainly gave him the kind of momentum that ought to concern Hubert Humphrey and the other Democratic active candidates.

The only way I can see that they could stop him now is to have a smoke-filled room, broker's convention and I think the public would object to that. So, unless they find some other formula, it seems to me that Carter certainly has the edge at the present time by a substantial margin.

Now, if he is the nominee, I think my overall moderate, middle-of-the road philosophy both at home and abroad will meet the challenge in the South as it will in the rest of the country, and we will keep on that, what I think is a constructive policy, and the voters in the South, in my judgment, compared to someone who hasn't had experience, who has not dealt with the hard decisions in the Oval Office will mean that we can be successful in November.

QUESTION: Mr. President, Ann Broderick, KRBE News.

There has been talk of getting a divestiture bill through Congress this year. What are your feelings with regard to this, and could you support such a bill?

THE PRESIDENT: Any divestiture bill that I have seen I would oppose. I would oppose it for this reason. We have analyzed all of the various divestiture proposals that have been submitted against two criteria.

First, will a divestiture bill reduce the price of petroleum products to the consumers? The answer is no. The divestiture bill would not reduce the price of gasoline, would not reduce the price of residual oil, would not reduce the price of distillates and, secondly, would the bill stimulate more production of domestic crude oil? The answer is no, because divestiture would undercut the capability of the American petroleum industry to go out and explore and drill for more domestic oil and we need it very badly. So, when you measure these divestiture bills by those two criteria, you come to the conclusion that those divestiture bills ought to be defeated.

MORE

QUESTION: Mr. President, good morning.

Tom Jarriel with ABC.

THE PRESIDENT: Good morning, Tom.

QUESTION: Mr. President, you said several times here this morning that the public deserves to know the facts, and the debate over national defense issues, that Mr. Reagan is using oversimplified one-liners and the issue should be met head-on. Would not the best way to meet the issue head-on be for you and he to share a platform and debate this vital issue, and if one could be arranged, would you welcome a debate?

THE PRESIDENT: It seems to me my proposal for continued military strength, the unsurpassed capability of the United States is a matter of public record and Mr. Reagan's charges, as he has made them in a simple, unverified way, in my judgment, is also before the American people. I think the American people can judge it over a period of time in that way much better than a 30-minute debate on public or private television.

QUESTION: Should you go into the Republican National Convention without the necessary 1,150 delegates reported to you, based on your answer about Mr. Carter and the smoke-filled room, would you then free those delegates at the convention to move and look for another potential nominee?

THE PRESIDENT: We fully expect to have 1,130 delegates by Kansas City time so we aren't considering under any circumstances anything but winning in Kansas City.

QUESTION: Mr. President, Len Hart, of KILT-Radio, in Houston.

All the President's Men is currently enjoying a tremendous box office success all across the country, as well as here in Houston. How will the release of this motion picture, as well as the release of the book "The Final Days" have an effect on the Presidential policies or the Presidential campaign?

THE PRESIDENT: It certainly should have no effect on my candidacy because, at the time I was nominated for the Vice Presidency, I had the most thorough investigation by over 400 FBI agents all over the country examining record from birth on up, and then they got through with their investigation, the Senate Committee on Rules held several hearings, I answered all their questions, the House Committee on Judiciary held hearings, I answered all their questions, I got approval from the two committees and I got an overwhelming vote in the Democratic Congress endorsing my candidacy and indicating without any question of a doubt that I had no relationship whatsoever to Watergate.

MORE

So, as far as my candidacy is concerned, Watergate and all the problems that took place prior to August of 1974 won't affect me whatsoever or my candidacy. What impact it might have on others, I am not qualified to say.

QUESTION: Mr. President, as a man who should know how much of the book "The Final Days" can we take seriously, how accurate is it?

THE PRESIDENT: The only part I am qualified to pass judgment on, as far as I know the book is reasonably accurate. I think, however, that it is in bad taste in a number of cases.

QUESTION: Mr. President, Dave Binder, New York Times.

Following on Muriel Dobbins' and Tom Jarriel's question, why, Mr. President, why, with a man you have described as irresponsible, simplistic and whom you compared yesterday to a donkey -- (Laughter) -- why do you take this man so seriously? Why don't you ignore him? Why do you give him such prominence? Why do you have to meet him head-on?

THE PRESIDENT: Well, because the charges in effect could arouse some apprehension in the minds of Americans, could raise some questions with our allies, could raise some questions with our adversaries, and I want to reassure the American people, I want to reassure our allies and I certainly don't want any misconception of our strength and our will as far as our adversaries are concerned. I feel that I owe it to the American people to tell them the truth, to state the facts and to analyze for them as well as I can in these complicated areas the fact that we are strong, that we have the kind of a program that can meet any challenge. I think that is my responsibility as President regardless of any political campaign.

QUESTION: Well, exactly, you would tell the truth and analyze the facts and present them and reassure allies with or without this particular opponent, I am just wondering why you build him up so much?

THE PRESIDENT: Well, because his charges have gotten a lot of publicity and there are a lot of clever one-liners that might appeal to some of our fellow citizens if the facts and the overall picture is not presented to them, and that is what I have sought to do.

MORE

QUESTION: Do you have the impression that any of our allies, or a large portion of the American public, has been swayed by your opponent's charges and rhetoric?

THE PRESIDENT: I can't be sure, and I don't want to gamble. I want the public to know the facts, and I want them to be reassured, and I want our allies to be in the same position. We have to be sure that from the facts the American people can come to the right conclusion, and we can't let any campaigning rhetoric undercut the strength and the will of the American people.

QUESTION: Mr. President, Lou Hanlon, KEYH-Radio.

At the time that you mentioned a moment ago of your appointment to the office, throughout those hearings that were held you mentioned on several occasions that you did not intend to seek re-election. Do you feel that will affect your current campaign or do you feel the public may have forgotten about it at this time?

THE PRESIDENT: At that time, I was simply nominated as Vice President, and under the circumstances, I felt the statement I made was the proper one. When I became President and looked at the possibilities both in the Democratic Party or in the Republican Party, I felt that I was the best person to carry out the effective program so we could meet the economic challenges at home and handle our foreign affairs in the most successful way, and with that feeling I decided that it was better for me to announce my candidacy and to seek election as President for the next four years.

That comment made when I was a nominee for Vice President I don't think will undercut my efforts either in the primaries or in the election leading up to November 2.

QUESTION: Mr. President, John Mashek, U.S. News.

Last night in introducing you Senator Tower seemed to be suggesting that you are contemplating a supplemental appropriation to the defense budget. Are you in fact contemplating supplementals and in what areas?

THE PRESIDENT: We have already submitted a supplemental of some \$300 million, as I recall, for the Mark III production line for the ICBMs and some added equipment that would improve that ballistic missile capabilities.

Now, that decision was made because there has been a slowdown in the SALT II negotiations and that production line was about to terminate under the previous funding, I think, on May 1 of this year.

MORE

Just as added insurance and good economics, I recommended sufficient money to continue that production line for the next six to 12 months, as I recollect. So, that supplemental is before the Congress. In addition, as I said in the January budget that I submitted, we are currently reviewing our overall Navy shipbuilding program.

The shipbuilding program that I proposed to the Congress added 16 major capital ships, but it has been under review for some time and we will get a final answer within the next month or two as to whether or not we should add additional capital ships to our Navy program. If we decide that is needed, I will submit a supplemental.

QUESTION: Would you agree that the Reagan opposition has given you an impetus to get your record defense budget through Congress?

THE PRESIDENT: No, because I made the decision in November-December of 1975 that I wanted a 14 percent increase in the defense budget, that I wanted the biggest defense budget in the history of the United States with a \$14 billion increase in obligation authority and a \$10 billion increase in spending for the Army, Navy, Air Force and Marines.

Those decisions were made in November and December of 1975.

At that time, my opponent was not a candidate. Therefore, the decision that I made to give to this country the largest, strongest defense budget in the history of the United States was made without any regard whatsoever to the political charges made by my opponent.

The fact that we submitted that budget, the fact that it appears we have been able to convince the Congress to give it to us, I think is an endorsement of the policy and the new Secretary of Defense.

MORE

QUESTION: Bill Vincent, KUHF-Radio at the University of Houston.

Mr. President, your Administration is putting forth to the public that you are reducing unemployment. However, a veteran organization in Washington has reported that unemployment on Vietnam, minorities and young vets is approximately 20 percent.

I want to know, as a concerned veteran, what specific policies and programs you will initiate to eliminate this plight among the men and women who served our country?

THE PRESIDENT: First, the best way to get all Americans back to work is the program that I have advocated where we have added 2,600,000 more employees over the last 12 months, including a number of vets, a number of minorities.

In the case of minorities, we have had for the younger people the full funding of what we call our Summer Youth Program at a cost of about \$450 million for each summer over a four-month period.

In the case of vets, we firmly believe in the GI education bill to get young people better qualified to have better jobs. And we have had in the past, and we are working on it, the program to employ, to get private business to employ vets. The organization is called the National Association of Business, as I recollect -- NAB is the abbreviation of it. They are making a major effort to try and get jobs for Vietnam vets, particularly, and they have had considerable success although we have got to do better.

QUESTION: Just one more question. On the GI bill, do you plan to pass the bill on the delimiting date on Korean vets and, if so, how will 500,000 vets who are depending on this money to finish their education do this?

THE PRESIDENT: The ones who are presently in the education process, I think you can make a good argument that they ought to have the opportunity to continue it, but there has to come a terminating point at some point in the future. We should take care of those who are presently engaged in getting an education. But I think there has to be a terminal point, whether it is eight years or ten years after the conclusion of their military service.

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QUESTION: Good morning, sir. John Cochran, NBC.

Sir, your campaign manager, Rogers Morton, has been quoted as saying you should give some thought to reconsidering Vice President Rockefeller to continue on in that office.

I just wondered if there were any circumstances under which you might say to the Vice President, "Well, you have done a good job, you have been loyal, and I wonder if you would reconsider about your availability and stay on"?

THE PRESIDENT: The best answer to that is that the Vice President wrote me a letter a few months ago and indicated he did not want to be considered as a potential Vice Presidential candidate in the future, and I have seen no evidence of any change in his attitude.

QUESTION: I imagine you could be very persuasive if you wanted him to stay on. Do you think there could be a circumstance under which he would stay, look around at all the available candidates and say, "Well, I think he is still the best one"?

THE PRESIDENT: I would not, under any circumstances, assume that he would change his mind. I have seen no evidence of it. So, until that change takes place--and I have seen no desire on his part to have it change--I think we ought to consider all the other outstanding potential Republican candidates.

QUESTION: So, he will have to make the first move?

THE PRESIDENT: I think under all circumstances that is the proper way to proceed, yes.

QUESTION: Thank you.

QUESTION: Mr. President, I am Jacqueline Edge for the Highlands Star.

I would like to know, how can the American public expect any President to act as effectively as he should be able to if Congress is made up largely of Members of the opposing political party?

THE PRESIDENT: It does present some problems. (Laughter) On the other hand, in a number of areas I have gotten some good support from a number of Democrats, some here from Texas, some from Georgia. We wouldn't have been able to sustain the 39 vetoes that I have made without the help of some discerning Democratic Members of the House and Senate and, incidentally, we have saved \$13 billion in taxpayers' money by that kind of support from some of the Democrats in the House and the Senate. But, I think to get an affirmative program through, it would be recognized, much easier if we had more Republicans and fewer of the liberal Democrats. The Democrats that I worked with most effectively are the more conservative Democrats, and they have been very helpful. But, we would like to replace some of the liberal Democrats with a lot more Republicans.

QUESTION: Hal Walker, CBS News.

Mr. President, how can you expect to win the State of Texas without the support of such a powerful political figure as former Governor John Connally? What are you doing to get an endorsement from Mr. Connally, and do you expect one between now and Saturday?

THE PRESIDENT: I have had two meetings with my good friend John Connally over the last months. He didn't indicate he would endorse me or my opponent, and I never asked him to endorse me. I think the better way for this primary to proceed is for my opponent and myself to meet head-to-head, which we are doing.

It would also be helpful for a distinguished public servant like John Connally to have his endorsement, but he, for good reasons, has decided not to endorse either my opponent or myself and so we are meeting head-to-head, my opponent and myself, and perhaps that is the best way to have it happen.

QUESTION: Thank you.

QUESTION: Mr. President, Bob Sirkin, from WFAA-TV in Dallas.

More of the Senate Intelligence Committee's findings were released yesterday and they said U.S. intelligence agencies felt they not only had a right to break the law but they had the duty to break the law, and I wonder if you agree with that summation and how these findings will influence your future directives to the CIA?

THE PRESIDENT: Well, the directives that I initiated for the total intelligence community, including the CIA, directives that I signed about a month ago, under my directives would not condone any violation of the law and would provide for strict enforcement against anybody in the intelligence community that violated the law.

So I have already taken care of that problem and I think the new CIA, the new intelligence community directives are an affirmative answer to the charges that are made by the Senate committee.

QUESTION: Well, sir, do you agree with the findings of this committee in regard to --

THE PRESIDENT: Frankly, I have not had an opportunity to read the volumes of their testimony, or their conclusions. I have to look to the future. As far as I know, none of the allegations that they made, such as you have indicated, took place since I became President. They may have taken place beforehand, but I can assure you that they will not take place under the directives that I have given to the intelligence community, including the CIA.

MORE

QUESTION: Do you think Senator Tower, then, is proper in not signing the bill?

THE PRESIDENT: It is not a bill; it is the committee report. I have a great deal of respect for Senator John Tower. If he decided not to sign the committee report, I certainly would back him up.

QUESTION: Fred Barnes of the Washington Star.

Mr. President, you mentioned a few minutes ago why you don't use Ronald Reagan's name while you are campaigning. I have noticed there is another name you never mention, and that is Richard Nixon. You mention Lyndon Johnson and Dwight Eisenhower and other Presidents but you only refer to Nixon as your predecessor or even as Lyndon Johnson's successor. How come you won't mention his name?

THE PRESIDENT: It is my judgment that that is an unfortunate era, certainly the period that took place from 1971 or 1973 on, and I think the more that all of us forget that period and the unfortunate developments, the better.

QUESTION: You are saying you are deliberately not mentioning his name?

THE PRESIDENT: I think it is better for all of us to just not remind ourselves of that unfortunate period. I do it deliberately.

QUESTION: Mr. President, I am Louis Alexander for Newsweek.

Here in Texas we understand that many supporters of Governor George Wallace will cross over Saturday to vote in the Republican primary. If that happens, how do you think that will affect the votes for you?

THE PRESIDENT: I have no way of judging whether that element of the Democratic Party will cross over and vote for my opponent.

I have said that I want all Democrats who believe in my philosophy, who subscribe to the success that we have had domestically as well as internationally, I want them to vote for me and I hope they will. But I have no way of judging how many of the Wallace Democrats would subscribe and, therefore, vote for my Republican opponent. There is just no way I can give you a definitive answer on that.

MORE

QUESTION: Mr. President, Richard Holwill, NPR.

As you know, the key problem over the Panama Canal treaty is the term "in perpetuity." Some months ago, Secretary Kissinger, in talking and discussing the Canal, said that we would negotiate a treaty with an indefinite time period. The Panamanians replied very angrily saying they would negotiate no treaty that disguised "in perpetuity."

This morning you used the phrase "ad finitum." I am wondering if that is a version of disguised "in perpetuity" and what the context of that was intended to be?

THE PRESIDENT: The context was that the Canal would be open to transit by the United States and all other parties, as long as it was economically useable or viable. That was the context in which I used that phrase.

QUESTION: Are you hoping for a treaty which will continue to grant to U.S. authorities police power and other such powers within the Canal Zone?

THE PRESIDENT: Certainly, during the term of the treaty, which we would expect would be 40 to 50 years, which again is the estimated economic viability and useability of that Canal, we would have the right to operate, to maintain and defend it.

QUESTION: Thank you, sir.

QUESTION: Mr. President, John McDonald with KHTV, here in Houston.

Sources in Washington said yesterday that between 50 and 100 Cubans may have arrived in Mozambique and they are training guerrillas for action in Rhodesia. Now, if this is so and it is "a move" by Cuba, are you planning any new diplomatic or military measures?

THE PRESIDENT: We have been assured by all of the African nations that are involved in that part of Africa that they are not interested whatsoever in any Cuban involvement in the problems of that very controversial part of the world. They recognize what happened in Angola where you have 10,000 to 15,000 Cubans. The Cubans with the Soviet backing actually have a tremendous impact on the Government of Angola. And I think most other African nations don't want that to happen. They want their problems solved by themselves without any domination from Cuba, the Soviet Union or any other world power.

So it is our best judgments and knowledge, information, that these countries are seeking to keep out the dominant influence militarily, economically or otherwise by Cuba.

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QUESTION: Mr. President, Ed Walsh with the Washington Post.

Last January Secretary Rumsfeld in his annual report to the Congress said in effect that we already have enough Minutemen missiles and to build more than the 550 we have would not be worth it. That being the case, sir, how do you justify asking Congress for \$322 million to do that?

THE PRESIDENT: If you go back and look at the budget that I submitted in January for the Department of Defense, we said that the Minuteman III production line would close under present plans sometime early this spring. At that time, it looked like we would probably make more progress in a SALT II agreement, and if we had consummated a SALT II agreement, there wouldn't be any need for a further add-on to the Minuteman III production line. That progress has not materialized and on the basis of good economics, and on the basis of good judgment, which we indicated in our budget presentation, we have decided to proceed with the Minuteman III add-on production.

QUESTION: Does that mean, Mr. President, that if there is a sudden breakthrough, a sudden improvement in the pace of those negotiations, you may withdraw that request?

THE PRESIDENT: That is a possibility, but again, we can't speculate to that degree. This is just good insurance and good economics. That is why we have asked for the extra money, and we said we might do it if negotiations didn't proceed as we hoped they should.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all very, very much.

END (AT 10:17 A.M. CDT)