

FOR IMMEDIATE RELEASE

JANUARY 23, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

INTERVIEW WITH THE PRESIDENT

BY

TOM BROKAW

AND

JOHN CHANCELLOR

LIVE TELEVISION AND RADIO

THE RESIDENCE

10:01 P.M. EST

MR. CHANCELLOR: Mr. President, we have had a request in for an interview for some time, and you have chosen tonight for it, and I must say on Tom's behalf and mine, we are terribly pleased you picked tonight because it was quite a busy day here at the White House. You were as busy as you could have been here.

THE PRESIDENT: We were talking, John, and we had a regular schedule of things that in itself was a busy day, and then we had a few little added items that -- well, I would rather be busy than sitting around not preoccupied, let me put it that way.

MR. CHANCELLOR: You were busy enough today and I would like to begin with that. By the stroke of a pen, sir, this afternoon you issued a proclamation that is going to mean people are going to have to pay more for gas.

Can we get into that? How much more are we going to pay for gas?

THE PRESIDENT: Well, under the proclamation that I signed today, which I hope is an interim administrative action, there will be some additional payments extracted from foreign oil of \$1 per barrel, and that in and of itself will probably add two cents to three cents to a gallon of gasoline.

If the Congress acts on the total package, which I hope they will do in a very short period of time, then we will be able to not only collect the necessary funds but will be able to pay it back. The total cost, when the program gets into complete operation, will probably mean gasoline prices would increase eight to ten cents a gallon.

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(OVER)

MR. CHANCELLOR: Maybe a little more.

THE PRESIDENT: Well, it is a little hard to tell, but the first increment of \$1 that will be imposed on February 1 -- it won't go on automatically and immediately because there are stocks that are in supply, and the total impact on the first dollar won't come for about 55 days, but that will mean two to three cents increase in the price of gasoline and as it goes up to \$2, it will go up correspondingly at the filling station.

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MR. BROKAW: Mr. President, I know you want to convince the people this plan is the correct one, and yet, today on the White House lawn, a number of Governors from the Northeast were down right angry, threatening legal action. There are people on Capitol Hill -- on the Democratic side, especially -- in the Congress, who think your idea of a good marriage is roughly the same as Henry the VIII's. I wonder if you have not overplayed your hand by taking the action you did today. A lot of people think it was an arrogant action in an attempt to force Congress to go along with your idea about how to solve the energy package.

THE PRESIDENT: Tom, I think you have to look at it this way -- and I told the Governors who were down at the West Wing this afternoon -- that in the last three years, we have heard from various Administration officials, Members of Congress, my predecessor as President, that we had a serious energy crisis, and, of course, that was accentuated by the oil embargo that was imposed in October of 1973. And despite the recognized fact that we do have a problem, a short-range problem and a long-range problem, nothing has really been done to achieve conservation on the one hand or new supplies on the other.

There has been a lot of talk -- and I am not critical of anybody -- but it had not materialized into any action, either in the Congress or otherwise. It seemed to me the time for conversation had ended and that we had to act. I said, a week or two ago, in my State of the Union Message that I was only taking this action as a way to stimulate Congressional action.

If I had backed off, there would have been two, I think, adverse impacts. Number one, I think the Congress would have delayed longer in acting. Number two, I think it would have been a sign of weakness around the world, that we could not make up our mind, that we could not act decisively, we could not find a remedy. So, even though I have been charged with being a little hardheaded on this, in my judgment, the time for action has come, and I think it will bring action, the right kind of action.

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MR. CHANCELLOR: Mr. President, your problem involves taking some money from the taxpayers and giving back money to the taxpayers and it is kind of tricky.

As I understand it, you are going to take money from the taxpayers in terms of what they have to pay for energy and some food and plastics and metals and all of the things that are related to that. You are going to ask the Congress to give some of that money back through tax cuts. What happens if the Congress doesn't move?

THE PRESIDENT: Well, the action that I have taken, John, is only administrative action up to and through prospectively April 1st. If the Congress has not acted in roughly three months -- and I certainly hope they will -- I can, of course, remove the import duty that I have imposed. I have the flexibility -- it is \$1.00 the first month; \$2.00 the second; and \$3.00 the third. I have the flexibility to retain it at \$1.00 or to leave it at \$2.00. I just hope the Congress understands the need and necessity for new legislative action.

I think my proposal of taking money from the economy and giving it back will mean equity in the first place. It will help us conserve energy in the second. And it will provide the wherewithal for us to develop and explore for new sources of energy.

Now, this is a well-balanced program. If the Congress can improve on it, I am more than glad to cooperate with them. But the time for action had come and that is why I took the rather stern action today.

MR. BROKAW: Mr. President, you have been quite adamant in your resistance to some of the proposals that have come from Congress. For instance, a number of the leaders, including Mike Mansfield, have talked seriously about gas rationing and the White House opposition and criticism of gas rationing has been, I think, clear to everyone. You just wouldn't sign it under any conditions. So, where is the give-and-take in the program?

THE PRESIDENT: Tom, I think you bring up the very fundamental question that I had to decide as we worked for about two months on what was the best approach, as we saw it.

What are we trying to do? That is the main thing, Tom. We are trying to conserve energy in the first instance, and we are trying to provide funds for exploration and development of new sources of energy. We are seeking, basically, to remove our country's vulnerability from foreign oil and energy sources. I was presented with two volumes of options, or alternatives, covering the whole spectrum of conservation and new sources of energy.

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We took a look at gas rationing. We took a look at the allocation of crude oil and the derivative products. In the case of gas rationing, here is what I found and I think it is accurate.

I found, for example, that it wouldn't be gas rationing for six months or a year. This is a 10-year program of conservation, so when we put gas rationing on it would have to be for a minimum of five years and probably ten years.

Well, in World War II, we had gas rationing for four or five years during a serious crisis, and even then, we had black marketeering and we had cheating and in peacetime, gas rationing for four or five or ten years -- I just don't think would work.

In addition, we found this: Everybody thinks that if you have gas rationing they are going to get their full share and somebody else, or everybody else, is going to cut back.

Let me give you this statistic, if I might. There are about 140 million licensed automobile drivers in this country and there is approximately 270 million gallons of gasoline a day, which means that if you divide the number of drivers into the availability of gasoline, it means about 1-1/2 gallons per person per day, or about nine gallons per week, or 36 gallons per month. That is a cutback from the average of 50 gallons at the present time because we have to save that much.

Now, how many people can get along on a gallon and a half of gasoline, or nine gallons a week? That is the way the mathematics works out.

So, when you look at the impracticability, the inequities, in my judgment, gas rationing would not work.

MR. BROKAW: Mr. President, you obviously have done your homework on the gas rationing question, but I don't think anyone in Congress is proposing only gas rationing, but perhaps the combination of gas rationing and other factors. The question is, if you are willing to change your program and let Congress go into it, where are you willing to let Congress change it?

THE PRESIDENT: I think you can find some options, for example, in the most dire necessity of having to put a lid on the actual imports. In other words, if we take in from foreign sources as we are today about seven million barrels a day of foreign oil, if a conservation program like I have proposed does not work, then I think we might have to move to arbitrary allocations.

I think that is a less desirable answer, but it is a possible answer.

MR. BROKAW: Mr. President, do you blame people for being skeptical about your plan? Given the record of your advisers and the economy and other areas, it was not very long ago people around here were wearing WIN buttons and talking about 5 percent tax surcharges, for instance, so can you blame the American public and Congress for being skeptical that this will work out the way you say it will?

THE PRESIDENT: I think there is always room for difference of opinion, and I must say I don't contend my proposal is 100 percent right because the options I had to look at -- there were some honest differences of opinion, but you did indicate that the proposal for the economy that I submitted last October might not have been the right answer.

I happen to think in October it was the right answer, but in the interval, between October and January, there were some very, very precipitous actions in the economy that nobody foresaw. We had the economic summit, as you know, Tom, and nobody at that summit told us that automobile sales were going to drop off as suddenly as they did in November and December and in January.

Nobody who testified or spoke indicated that the unemployment would go up as rapidly as it did. What we have done in the proposals that I submitted on January 16 or 15 was to take into consideration the dropoff in automobile sales, the tremendous increase in unemployment and to tailor our plan or program to meet unemployment--to provide jobs--because in the meantime inflation had moderated or the rate of inflation had moderated so there was a change of economic circumstances, and in reality, I had to be flexible enough to change the emphasis.

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MR. CHANCELLOR: Mr. President, it seems to me I heard you say a few minutes ago that if the program you have started today doesn't work, that you would go to allocations. Could you expand on that a little bit, how that would work? Wouldn't that require a sizeable bureaucracy in itself?

THE PRESIDENT: No, I think it would be much less bureaucratically a burden than gas rationing. I didn't mention in the conversation with Tom the number of bureaucrats that I am told it would take -- 15,000 to 20,000 for gas rationing.

But you see, when foreign crude oil or the products of crude oil come in from overseas, it is much easier to handle that than to handle the allocation through rationing at the gas station or through the 30,000 or 40,000 possible offices.

MR. CHANCELLOR: So that allocation would be a possibility, if this doesn't work?

THE PRESIDENT: That is correct.

MR. CHANCELLOR: You told, I think it was Time Magazine, that we might have gas rationing if we get another oil embargo, is that correct?

THE PRESIDENT: Another oil embargo which would deprive us of anywhere from six to seven million barrels of oil a day would create a very serious crisis.

MR. CHANCELLOR: Is that a likelihood, sir. As I understand it, of those seven million barrels a day, only about 8 percent came from the Arab countries, or 10 or something like that.

THE PRESIDENT: I can't give you that particular statistic. It would depend, of course, on whether the Shah of Iran or Venezuela or some of the other oil-producing countries cooperated.

At the time of the October 1973 oil embargo, we did get some black market oil. We got it from some of the noncooperating countries, but in the interval, the OPEC nations have solidified their organization a great deal more than they did before. So, we might have a solid front this time rather than one that was more flexible.

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MR. CHANCELLOR: In other words, you are worried not about an Arab oil boycott but a boycott by all of the oil-producing countries that belong to OPEC?

THE PRESIDENT: That is correct.

MR. CHANCELLOR: Have you geared that as a political possibility?

THE PRESIDENT: It is a possibility.

MR. CHANCELLOR: And in that case that would produce the necessity for gas rationing systems?

THE PRESIDENT: It would produce the necessity for more drastic action. I think gas rationing in and of itself would probably be the last resort, just as it was following the 1973 embargo.

At the time, as you remember, John, in order to be prepared, Bill Simon, who was then the energy boss, had printed I don't know how many gas rationing coupons. We have those available now; they are in storage. I think that they cost about \$10 million to print, but they are available in case we have the kind of a crisis that would be infinitely more serious than even the one of 1973.

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MR. CHANCELLOR: Mr. President, you have talked also about energy independence and it is a key to your whole program. As I recall, of the 17 million barrels of oil a day we use in this country, about seven, as you say, come from other countries.

Let me put it to you in a tendentious way. An awful lot of experts are saying it will be impossible for us by 1985 to be totally free of foreign supplies of energy. Do you really think we can make it?

THE PRESIDENT: The plan that I have submitted does not contemplate that we will be totally free of foreign oil but the percentage of reliance we have, or will have, on foreign oil will be far less.

At the present time, for example, John, 37 percent of our crude oil use comes from foreign sources. In contrast to 1960, we were exporting oil but in the interval between 1960 and the present time, we are now using 37 to 38 percent of foreign oil for our energy uses.

Now, if my plan goes through, if the Congress accepts it and we implement it and everything goes well, by 1985, if I recall, instead of 37 or 38 percent dependence on foreign oil, we will be down to about ten percent. Well, a ten percent cutoff with all the contingency plans we might have, we can handle without any crisis.

MR. CHANCELLOR: Tom, may I just follow up on that?

The other day at your press conference, you were asked about Dr. Kissinger's quote and the possibility of military intervention and something surprised me, sir. You have been in politics for a long time and you are as expert a question-ducker as anybody in that trade. Why didn't you duck that question? Why didn't you just say that is hypothetical? You did go into some detail on it.

THE PRESIDENT: I did. In part, I reiterated what I had said, I think, at a previous conference. I wanted it made as clear as I possibly could that this country, in case of economic strangulation -- and the key word is "strangulation" -- we had to be prepared without specifying what we might do, to take the necessary action for our self-preservation.

When you are being strangled it is a question of either dying or living and when you use the word "strangulation" in relationship to the existence of the United States or its non-existence, I think the public has to have a reassurance, our people, that we are not going to permit America to be strangled to death. And so, I, in my willingness to be as frank, but with moderation, I thought I ought to say what I said then and I have amplified it -- I hope clarified it -- here.

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MR. CHANCELLOR: The New Republic this week has a story saying there are three American divisions being sent to the Middle East, or being prepared for the Middle East. We called the Pentagon and we got a confirmation on that, that one is air mobile, one is airborne and one is armor. It is a little unclear as to whether this is a contingency plan because we don't know where we would put the divisions in the Middle East. Could you shed any light on that?

THE PRESIDENT: I don't think that I ought to talk about any particular military contingency plans, John. I think what I said concerning strangulation and Dr. Kissinger's comment is about as far as I ought to go.

MR. CHANCELLOR: Then, we have reached a point where another question would be unproductive on that?

THE PRESIDENT: I think you are right.

MR. BROKAW: You said the other day, speaking about this, that general area, you think there is a serious danger of war in the Middle East. Earlier this year, you were quoted as saying something over 70 percent. Has it gone up recently?

THE PRESIDENT: I don't think that I ought to talk in terms of percentage, Tom. There is a serious danger of war in the Middle East. I have had conferences with representatives of all of the nations, practically, in the Middle East. I have talked to people in Europe. I have talked to other experts, and everybody says it is a very, potentially volatile situation.

It is my judgment that we might have a very good opportunity to be successful in what we call our step-by-step process. I hope our optimism is borne out. We are certainly going to try.

MR. BROKAW: Is it tied to Secretary Kissinger's next trip to that part of the world?

THE PRESIDENT: Well, he is going because we think it might be fruitful, but we don't want to raise expectations. We have to be realistic, but if we don't try to move in this direction at this time, I think we might lose a unique opportunity.

MR. BROKAW: Should we not succeed this time, Mr President, do you think it is probably time we have to abandon this step-by-step process and go on to Geneva as the Soviets would like us to do?

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THE PRESIDENT: I think that is a distinct possibility. We prefer the process that has been successful so far, but if there is no progress, then I think we undoubtedly would be forced to go to Geneva.

I wouldn't be anymore optimistic, and in fact, I would be less optimistic, if the matter was thrown on the doorstep of Geneva.

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MR. CHANCELLOR: Mr. President, really, the Russians have been shut out of Middle Eastern diplomacy since Dr. Kissinger began step-by-step diplomacy. Why was that? Couldn't the Russians play more of a positive role than they are doing? They are arming the Arabs to the teeth and that is really about all we have been able to see or all they have been allowed to do under the way we have set out policies.

THE PRESIDENT: I am not as authoritative on what was done during the October War of 1973 in the Middle East as I am now, of course. I can assure you that we do keep contact with the Soviet Union at the present time. We are not trying to shut them out of the process of trying to find an answer in the Middle East. They can play and they have played a constructive role, even under the current circumstances.

So, I think it is unfair and not accurate to say that they are not playing a part. We are taking a course of action where it is more visible perhaps that we are doing something but I say sincerely that the Soviet Union is playing a part even at the present time.

MR. CHANCELLOR: Would you tell us what you think about the idea that is going around a little bit -- and perhaps you have heard it as well, perhaps you know a great deal about it, I don't know -- that if the Israelis made a significant pullback on various fronts in the Middle East, that that could be followed by some sort of American guarantee for their security?

THE PRESIDENT: John, I really do not think I ought to get into the details of what might or might not be the grounds for a negotiated settlement. This is a very difficult area because of the long history of jealousies, antagonisms and it is so delicate I really do not think I ought to get into the details of what might or might not be the grounds for a settlement.

MR. CHANCELLOR: Would you entertain a question based on the reported Israeli desire for a three-fold increase in our aid to them?

THE PRESIDENT: The United States, over the years, has been very generous in economic and military aid for Israel. On the other hand, we have been quite generous to a number of Arab nations. The State of Israel does need adequate military capability to protect its boundaries or its territorial integrity.

I think because of the commonality of interest that we have with Israel in the Middle East that it is in our interest as well as theirs to be helpful to them, both militarily and economically. There has been no determination by me or by us as to the amount of that aid.

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MR. BROKAW: Mr. President, I wonder if we can come back at you again about Israel security in another way. As you know, reporters don't give up easily on some of these questions.

THE PRESIDENT: I found that out, Tom.

MR. BROKAW: On a long-range basis, do you think it is possible for Israel to be truly secure in the Middle East without a United States guarantee of some kind?

THE PRESIDENT: Of course, Israel, to my knowledge, Tom, has never asked for any U.S. manpower or any guarantee from us for their security or their territorial integrity. I think the Israelis, if they are given adequate arms and sufficient economic help, can handle the situation in the Middle East.

Now, the last war, unfortunately, was much more severe from their point of view than the three previous ones and I suspect that with the Arabs having more sophisticated weapons and probably a better military capability, another war might even be worse. That is one reason why we wish to accelerate the efforts to find some answers over there.

But, I think the Israelis, with adequate equipment and their determination and sufficient economic aid won't have to have U.S. guarantees of any kind.

MR. BROKAW: I wonder if we can move to another area in the world or would you like to go back to the Middle East?

MR. CHANCELLOR: I have one question I would like to put to the President.

Sir, when we talk about strangulation -- and I hope we don't talk about it any more tonight after this, and I do believe it is the hypothetical -- I agree with you on that -- what about the moral implications? If a country is being strangled by a country or another set of countries that own a natural resource, is it moral to go and take that? It is their oil, it is not ours. Isn't that a troublesome question?

THE PRESIDENT: I think it is a troublesome question. It may not be right, John, but I think if you go back over the history of mankind, wars have been fought over natural resources from time immemorial. I would hope that in this decade or in this century and beyond, we would not have to have wars for those purposes and we certainly are not contemplating any such action. But history, in the years before us, indicates quite clearly that that was one of the reasons why nations fought one another.

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MR. BROKAW: Mr. President, what is your objective in Southeast Asia, and Vietnam, particularly.

THE PRESIDENT: In Vietnam, after all the lives that were lost there, Americans, over 50,000, and after the tremendous expenditures that we made in American dollars, several times more than \$30 billion a year, it seems to me that we ought to try and give the South Vietnamese the opportunity through military assistance to protect their way of life.

This is what we have done traditionally as Americans. Certainly, since the end of World War II we have helped innumerable nations in military arms and economic assistance to help themselves to maintain their own freedom.

The American people believe, I think historically, that if a country and a people want to protect their way of life against aggression, we will help them in a humanitarian way, and in a military way with arms and funds, if they are willing to fight for themselves. This is within our tradition as Americans.

The South Vietnamese apparently do wish to maintain their national integrity and their independence. I think it is in our best tradition as Americans to help them at the present time.

MR. BROKAW: How much longer and how deep does our commitment go to the South Vietnamese?

THE PRESIDENT: I don't think that there is any long-term commitment. As a matter of fact, the American Ambassador there, Graham Martin, has told me, as well as Dr. Kissinger, that he thinks if adequate dollars which are translated into arms and economic aid -- if that was made available that within two or three years the South Vietnamese would be over the hump militarily as well as economically.

I am sure we have been told that before, but they had made substantial progress until they began to run a little short of ammunition, until inflation started in the last few months to accelerate.

I happen to think that Graham Martin, who is a very hardnosed, very dedicated man and very realistic, is right. I hope the Congress will go along with this extra supplemental that I am asking for to help the South Vietnamese protect themselves.

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MR. CHANCELLOR: Sir, there is that \$300 million you have asked for the South Vietnamese, and given what you have just said -- I am going to phrase it this way -- will we see the light at the end of the tunnel if we give them \$300 million?

THE PRESIDENT: The best estimate of the experts that are out there, both military and civilian, tell me that \$300 million in this fiscal year is the minimum. A year ago when the budget was submitted for military assistance for South Vietnam, it was \$1 billion 400 million. Congress cut it in half, which meant that South Vietnamese rangers going out on patrol instead of having an adequate supply of hand grenades and weapons were cut in half, which, of course, has undercut their military capability.

It has made them conserve and not be as strong.

Now, \$300 million doesn't take them back up to where they were or where it was proposed they should be. But the experts say, who are on the scene, who have seen the fighting and have looked at the stocks and the reserves, tell me that that would be adequate for the current circumstances.

MR. CHANCELLOR: Mr. President, does it make you uneasy to sit on that couch in this room and have experts in Vietnam saying only a little bit more and it will be all right? We did hear that for so many years.

THE PRESIDENT: I think you have to think pretty hard about it, but a lot of skeptics, John, said that the money we were going to make available for the rehabilitation of Europe after World War II wouldn't do any good and, of course, the investment we made did pay off.

A lot of people have said the money that we made available to Israel wouldn't be helpful in bringing about the peace that has been achieved there for the last year and a half or so, but it did. It helped.

I think an investment of \$300 million at this time in South Vietnam could very likely be a key for the preservation of their freedom and might conceivably force the North Vietnamese to stop violating the Paris accords of January 1973.

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When you look at the agreement that was signed--and I happened to be there at the time of the signing in January of 1973--the North Vietnamese agreed not to infiltrate. The facts are they have infiltrated with countless thousands -- I think close to 100,000 from North Vietnam down to South Vietnam. They are attacking cities, metropolitan areas.

They have refused to permit us to do anything about our U.S. missing in action in North Vietnam. They have refused to negotiate any political settlement between North Vietnam and South Vietnam.

They have called off the meetings either in Paris or in Siagon, so here is a country -- South Vietnam -- that is faced with an attitude on the part of the North Vietnamese of total disregard of the agreement that was signed about two years ago. I think the South Vietnamese deserve some help in this crisis.

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MR. BROKAW: Mr. President, underlying all of this in much of this interview is a kind of supposition on your part, I guess, that the American public is willing to carry the burden that it has in the past. Do you believe that? Is that your view of this country?

THE PRESIDENT: Yes, and I am proud of that, Tom. The United States -- we are fortunate. We have a substantial economy. We have good people who by tradition -- certainly since the end of World War II -- have assumed a great responsibility. We rehabilitated Europe. We helped Japan -- both in the case of Germany and Japan -- enemies that we have defeated.

We helped underdeveloped countries in Latin America, Africa and Southeast Asia. I think we should be proud of the fact that we are willing to share our great wealth with others less fortunate than we.

It gives us an opportunity to be a leader setting an example for others, and when you look at it from our own selfish point of view, what we have done has basically helped America, but in addition, it has helped millions and millions of other people.

We should be proud of it. We should not be critical of our efforts.

MR. CHANCELLOR: Mr. President, I would like to move on, if I could, and ask you as a reporter if you would care to share a little information with me on a paper you read recently on the CIA. You read a paper given to you by the CIA. There have been resignations at the CIA. Officials of the CIA have admitted some of the charges that have been made against them. However did they get off the reservation, Mr. President?

THE PRESIDENT: I did read the report that was submitted to me by Bill Colby, the head of the CIA, and after reading it, I determined that rather than myself making a judgment as to whether they were violating their legislative charter or whether there was any guilt on the part of any individual, the present Director or any of his predecessors that the proper thing for me to do was to turn the investigation over to a very reputable group of gentlemen who would look into the facts, take testimony and make a report, number one, as to the charges; number two, make recommendations to me as to any disciplinary action or changes within the present personnel; and to make recommendations as to whether the charter of the CIA ought to be revised.

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I asked the Vice President, Nelson Rockefeller, to head up this group of seven people, three Democrats, three Republicans, men of outstanding experience, and I think excellent judgment, and they are in the process now.

It would be premature for me, John, to pass judgment on the degree of violation of the charter. There have been admissions that there were some indiscretions or potential illegal actions. But for me to say on this program that Mr. A did something that was illegal or the group did something totally wrong, I think it is better for me to wait and see what this Commission reports to me.

MR. BROKAW: Mr. President, another agency, the FBI, has recently been involved in a controversy about keeping track of Americans as well, keeping files on Members of Congress, among others. Clearing away everything else, do you think there is any reason for those files to be retained?

THE PRESIDENT: Tom, I think you have to look at what the responsibility is of the FBI.

Number one, the FBI, under no circumstances, should do anything -- they should not spy on Members of Congress. I do not think they ought to spy on law abiding American citizens, but there are certain areas where the FBI has a legal responsibility.

The FBI has the responsibility to check on individuals who are charged with a crime--any American citizen, including a Member of Congress. The FBI, if they are seeking to employ somebody or if somebody applied for a job, the FBI has an obligation to check on that person's record and some Members of Congress at the present time served in the FBI at various times prior to being elected to the House or to the Senate.

So, the FBI ought to have files on those people.

In addition, as I understand it, the FBI in the course of investigating a person gets information concerning somebody else. And that may be information concerning a Member of Congress. I am told that that information that is gotten in a peripheral way does go into a file.

That kind of information, in my judgment, ought to be reported to the Member of the House or to the Member of the Senate.

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MR. BROKAW: But why should it be retained, even? If there is no criminality, or evidence of it, or they are not interviewing them for a job, why should they retain it in any fashion?

THE PRESIDENT: I think that is a good question, Tom. I would have no objection to having that kind of information disposed of.

MR. CHANCELLOR: As I understand it, sir, the way it works now is that the FBI tells a Member of Congress if they have heard some scurrilous charge against him and he denies it and they keep both the charge and the denial in his file.

THE PRESIDENT: I hadn't heard that, John, but I think that is kind of silly.

MR. CHANCELLOR: You mentioned the charter of the CIA and you mentioned the responsibility of the United States Government to engage in a certain amount of looking at and investigating citizens who are not necessarily charged with a crime as in job applications and in other things.

Do you suppose that we could work out a better way of sharing this responsibility in the American Government? Could that come out of these FBI and CIA investigations?

THE PRESIDENT: I think you have to differentiate, John, between the charter of the FBI and the responsibilities of the CIA. There is supposed to be a clear line of demarcation between the two.

MR. CHANCELLOR: And apparently there wasn't, at times.

THE PRESIDENT: For various reason, that line was overstepped and, of course, the investigations, I think, will expose what caused it and how we can remedy it.

But the FBI has domestic responsibilities, responsibilities within the continental limits of the United States. The CIA is supposed to be an intelligence-gathering bureau aimed at overseas operations on this country's behalf.

I think the CIA is vitally important to our total national security, both diplomatically as well as militarily. I can assure you that they do, in the areas that I am intimately familiar with, an excellent job of providing the Department of Defense and providing me with information that is important for the decision-making process on what I think we should do militarily or diplomatically and they do a fine job on behalf of the Department of Defense.

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Now, I don't think they ought to get into any domestic surveillance and mistakes apparently were made going back as early as 1964 or 1965.

It has stopped now and I have given instructions that under no circumstances shall it be started again, and I think the CIA has probably learned.

But I don't think that we should destroy the CIA in trying to straighten out the indiscretions or the mistakes that were made.

MR. BROKAW: Mr. President, on an unrelated subject, I have always wanted to ask you this question about the credibility of American justice as, let us say, young Americans see it.

We have just gone through the worst scandal in the history of the Presidency. Mr. Agnew, we are told, is going to become a millionaire -- at least his business partner says that. Mr. Nixon is in California. Some of these other people who were involved are getting huge book advances. How do you suppose that squares with the idea of justice as young people ought to see it in this country?

THE PRESIDENT: That is a hard question to answer, John. I am sure it disturbs a lot of Americans -- young as well as old -- Americans who have worked hard all of their lives, have made middle income wages or salaries, lived an honest, decent life, raised a family and find that for various economic reasons they are in trouble and they see these stories about some of these people who have plead guilty or been convicted and gone to jail.

MR. BROKAW: And some of the big ones not touched at all.

THE PRESIDENT: That is correct. And yet, they come out with guarantees or prepayments of substantial amounts. I think it will bother a good many Americans, young as well as old, and I don't have any answer. I wouldn't buy the books, let me add.

MR. CHANCELLOR: That is the first non-Presidential plug for a book I think I have ever heard.

MR. BROKAW: I have a question that isn't easy to phrase, so I will just bore straight ahead with it. As you know, I am certain, because I have been told that you have commented on this before, but it has been speculated on in print not only in Washington but elsewhere and it crops up in conversation from time to time in this town -- the question of whether or not you are intellectually up to the job of being the President of the United States. When you hear that kind of talk or read that in print, does it bother you?

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THE PRESIDENT: It really doesn't, Tom. I suppose people wonder why it doesn't bother me. My answers are as hard as the questions you ask.

If grades one gets in school are a criteria, and we have been doing it for years and are still doing it, whether I was in high school or at the University of Michigan or at Yale Law School I was always in the upper third or the upper 10 percent of my class.

Now, if I don't have the academic capability being in either the upper third at Yale Law School or in the upper 20-some percent at the University of Michigan, there must be an awful lot of people much dumber than I.

Now, I don't think that is the only way by which you judge people. I think grades are important, judgment is a pretty important factor, and a capability on the part of a person to work and to analyze problems is equally important.

I think the fact that I have done reasonably well, both in Congress, in first getting there, and number two, in getting to be a leader and retaining that post for five elections among my peers as a Member on our side of the aisle -- I think that does show some feeling on the part of responsible people that I have the capability of doing the job.

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MR. BROKAW: Mr. President, I just want to ask you about a personal moment I witnessed in Vladivostok. After you signed the agreement with General Secretary Brezhnev and there was a shaking of hands and the champagne, I caught you looking out kind of into the distance for a moment there, and I thought I saw, at least, in your eyes, a question of "What in the world am I doing here a year after being in the House of Representatives."

Do you sometimes find yourself, given the way you came to this office, stopping for a moment and thinking that and wondering as these events brush by you?

THE PRESIDENT: I cannot recall that particular incident, Tom, but to be honest and frank with you, yes, I have though. I never anticipated that I would be in the White House, in this building where this program is originating.

I had other political ambitions, and I prepared myself primarily for those objectives, but nevertheless, even though I have wondered how it all happened, I feel very secure in the capability that I have to do the job. And I can assure you that my feeling of security, my feeling of certainty that I can handle it grows everyday. But nevertheless, you cannot help but wonder sometimes, how did it all happen.

MR. CHANCELLOR: Could I phrase it this way -- because I think the growth on your part as we and the press have perceived it has been considerable. For a long while you represented Grand Rapids, Michigan, as you should have, but suddenly, you have been put into another arena, and your government is about to borrow \$28 billion in six months --

THE PRESIDENT: -- \$80 billion in the next 18 months.

MR. CHANCELLOR: But we are dealing with these enormous figures now that do not seem to me to square at all with the ideological and political outlook you have had at all for much of your life. Would you talk about that?

THE PRESIDENT: I think all of us, John, who work at a job and seek to broaden one's self in the process of step-by-step movement in a career, have to understand the much more complex problems that we face. As I moved from a freshman Congressman in 1949 to a Republican leader in January of 1965, and as I moved from being a new Republican leader in January of 1965 to a Republican leader, eight, nine years later, if you have the capability and work at it, you inevitably get a broader look at life, and that gives you, I think, a better understanding, not only of the complexities at home, but the enormous difficulties and complexities on a world-wide basis.

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I would be ashamed of myself if I did not think, from January of 1949, when I first took the Oath of Office in the House of Representatives, until now, I had not learned a lot, profited by mistakes, analyzed what I had done, right or wrong, and expanded my knowledge and understanding. It has been a great deal of satisfaction to me that I have been able to meet those challenges.

MR. CHANCELLOR: And now you are here in the cockpit. I mean, you are really on the spot as President now. Have you learned your most in this office and in this House -- do we tend to put Presidents too much on pedestals? Do we expect too much from the human beings who occupy this office?

THE PRESIDENT: An awful lot is expected, John. But I think a person who is President of the United States should expect that kind of responsibility, and he should act accordingly. To do otherwise, I think, would be just wrong.

I think a person who is President, either elected or as I was, under the unusual circumstances, has to feel that there is an enormous responsibility and that the American people expect him to perform 150 percent of his capability, both as to mental and time and judgment and everything else.

MR. BROKAW: Mr. President, you said, in an interview recently, you thought you would have a better grasp of what the Presidency is and what your role is in it in about six months. If things don't work out quite the way you want them to, will it change your mind at all about your own future in this office?

THE PRESIDENT: Tom, I think I said that the public could judge my performance better at the end of six months than they could at the present time. It has been about five and one-half months since I have been President. We have had some tough decisions, both at home and abroad. We are facing a very difficult and very critical period domestically for the next six to 12 months.

I said, in the interview, based on the programs that I had submitted for the economy and for energy, I believe we will make some headway. And if we do, it will be discernible within six months, maybe not as much as I would like, but at least we will be out of the slump and starting to move upward. And then, I think that is a better time for people to judge me than at the present time.

MR. CHANCELLOR: Sir, if in early 1976 we are at double-digit inflation and unemployment is over 7 percent, would you be a candidate for office again?

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THE PRESIDENT: Those are pretty tough odds, and I think anybody has to be realistic. But I add very quickly, John, I don't think that is going to happen because the resiliency of the American economy is such that we are going to rebound from this recession, and I think we will do it more quickly and in a better way than most pessimists say. So, I am not anticipating in 1976 that we are going to have that high unemployment. I think we will have more jobs, people will have a fresher, more optimistic point of view. So, based on that forecast, not the one that you speculated on, I am planning to be a candidate in 1976.

MR. CHANCELLOR: On that note, Mr. President, for Tom Brokaw and for me, I want to thank you, and for NBC News, for having us here in this house this evening. It was very instructive for us.

THE PRESIDENT: Thank you, John, and thank you, Tom. We have enjoyed having you here.

MR. CHANCELLOR: Thank you, Mr. President.

MR. BROKAW: Thank you, Mr. President.

END

(AT 10:59 P.M. EST)