

FOR IMMEDIATE RELEASE

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Office of the Vice President
(Enid, Oklahoma)

PRESS CONFERENCE
OF
THE VICE PRESIDENT
OAKWOOD COUNTRY CLUB
ENID, OKLAHOMA

(AT 5:30 P.M. CDT)

THE VICE PRESIDENT: Thank you very much.

Governor -- I would like to say Governor, too, because probably as many of you know, Governor Dewey Bartlett, or Senator Dewey Bartlett and I were governors together, and so did I have the pleasure of being the Governor when Henry Bellmon was Governor -- I would like to say you have sent two wonderful Senators to Washington. We are all very grateful to you.

I am delighted to be back in association with them there.

I am also very happy to have the pleasure of being here with your National Committeewoman and National Committeeman of the Republican Party, Grace Boulton and Skip Healey.

I have had a wonderful time traveling today throughout the State with your Republican State Chairman, Paula Unruh, who is a very dynamic, wonderful leader; doing a great job.

I am a strong believer in the two-party system and happen to be a member of one of the two parties, and Dr. Bill Taylor, who is the Garfield County Republican Chairman.

It is a pleasure for me to be here in Enid, and have the opportunity of visiting with you and I am delighted to answer any questions that I can.

QUESTION: Mr. Vice President, the Administration is caught between consumers who, on the one hand are told they are going to face more inflation because of the Russian wheat deal this time, and farmers who have to sell their wheat to avoid going broke.

Do you see any resolution of that dilemma?

THE VICE PRESIDENT: Yes, I do. The President has a very clear policy and he is committed to the sale of large production of U.S. agricultural products to foreign countries who cannot produce enough food for themselves.

I don't think that it is inconsistent. Maybe we would all like to buy everything cheaper which is understandable. But we can't buy things at prices less than what they cost.

I think that the East, the big cities are beginning

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to understand that machinery and equipment, fertilizer have gone up tremendously in price and these are the costs of the farmer; that the farmer has got to get a return on his work and his investment, or hers.

Therefore, we can't expect not to have higher prices in a period of inflation, higher prices of any product.

At the same time, one of the major sources of foreign exchange now in the United States is the export of U.S. grains and this is a very important factor in the balance of payments as unfortunately our imports in oil have gone up.

So we are very fortunate as a nation that the farmers have produced so much and I am sorry that the confusion has arisen in connection with the Soviet grain deal, because the Unions really would like to have the grain, the Soviet grain or at least a third of it shipped in American ships where there are American crews.

As all of you probably know, American crews get a higher wage than crews from other countries. The present differential is about \$5 to ship whatever the unit is, to ship your grain in foreign ships as against \$17, I guess it is, \$15 to \$17 in American ships, and that is really what this argument is about.

There are other complicating factors, but that is really the basic argument. This means about \$80 million more to the Russians so that you can see that everyone has got an interest in this. Unfortunately, it has had the effect which you mentioned here.

I think that these problems ought to be resolved and that we have really one other thing that I could mention. We have got a difficult problem which this Commission on Critical Choices, which I set up a couple of years ago, will study and that is how does an open free society operate in a world of centrally controlled economies?

In other words, the Soviet Union or many other countries, we have seen it in connection with the OPEC oil increase in prices. How do we cope with these deals where governments use economic arrangements for political purposes or their own domestic economic purposes handled on a political basis?

Our system has just got a lot to learn on how the government and private enterprise can keep a free system and yet not get taken to the cleaners under certain circumstances.

It is a long answer -- I apologize -- to a simple, direct question.

QUESTION: Mr. Vice President, At the Airport you made mention you had a letter in your pocket you were taking back to Washington with you. What was that letter about?

THE VICE PRESIDENT: The letter about this same

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problem of wheat. The concern of a farmer written to a friend regarding the fact that they are holding wheat and price is going down and they are not able to ship it because of this complex situation, which I mentioned before, relating to the Unions refusing to load the ships.

This has held the wheat back and this has kept -- I guess it has had an effect on prices. I asked whether the Soviet wheat deals of 10 billion tons had actually been made at a fixed price and I don't honestly know the answer myself.

Therefore, I don't know whether there is a lower price for them or not, but I can't understand that. If wheat is held back it makes a very complex situation. If somebody considers they have sold it and then can't deliver it, but that is the purport of the letter.

QUESTION: Mr. Vice President, do you consider Mr. Meany's efforts to block the shipment of that wheat a sincere effort to help the plight of the consumers, or do you think there are other motivations involved?

THE VICE PRESIDENT: I think that what I was trying to describe has a very important relation; namely, the Maritime Unions want to see that wheat shipped. Basically, the agreement with the Soviets has been that one-third of the grain would be shipped in American bottoms.

However, there is a surplus of shipping. Therefore, prices have gone down. When prices are over \$9 a ton, whatever it is or \$11, then U.S. ships are competitive. But when there is a surplus of ships, and now many tankers are available and they are using tankers to ship grain. These are foreign ships.

This has meant the higher-cash U.S. ships are having a tough time in this competition. What they would like to do, and using this as a means of forcing the issue is to get the Soviets to ship at a higher cost in American bottoms, at least a third of the grain.

I understand the estimate is about \$80 million additional cost to the Soviets. This is understandable from everybody's point of view, but regrettable.

QUESTION: Mr. Vice President, throughout this trip you have been saying that you are not a candidate for the Vice President or anything else.

THE VICE PRESIDENT: That is true.

QUESTION: Have the Republicans you have been meeting on the trip been talking to you about that issue and, if so, what?

THE VICE PRESIDENT: Not too much because I immediately made my position clear that -- it is not that this is new. I have been saying this ever since I was confirmed by the Congress, that I felt honored and delighted to be named Vice President by the President under the Twenty-Fifth Amendment.

However, that when the Party nominated him as their candidate for the presidency that he then should be totally free to select whomever he thought at that time, which is a year from

now, a year and a couple of months, whomever he felt at that time would serve the best interests of the United States and the Republican Party.

Therefore, I have taken this position and refused to say whether I was available. The big discussion in the Party, of course, is whether former Governor Reagan is going to come into the campaign as a candidate or whether he isn't. All of this creates interest and excitement. That is politics. He has a tough decision to make.

The vice presidency is not an office that historically anyone runs for, and I am not breaking any historic precedents.

QUESTION: Have the people you have talked to said anything one way or the other to you about whether they would like you to stay on the ticket?

THE VICE PRESIDENT: They have been very friendly. I try to avoid this subject because I don't want to embarrass any one. I am totally relaxed about it and very sincere. I am just delighted to be able to help the President during this very tough period.

This is the first time in the history of the United States, 200 years, where we have a President and Vice President who were not elected by the people, but who are nominated under the Twenty-Fifth Amendment by the then-President, and confirmed by the Congress. Then, in the case of President Ford, he moved up, if that is the right way to describe it.

QUESTION: Mr. Vice President, what do you hope for your trip in Oklahoma to accomplish if it is not a campaign?

THE VICE PRESIDENT: It is not a campaign. My purpose in being here is to try and bring a better understanding of what the President is doing, what his concerns are, what his program is. He has to formulate plans now for his State of the Union Message in January of next year.

We are in a period of really serious problems the world over, economic, energy, and the whole problem of government expenditures, which are beyond our income and which are causing serious financial problems.

The increased cost of energy as a result of the OPEC price jump of 500 percent has caused the entire free world, the industrial world, very serious problems, and the developing world.

I am going to start very soon a series of public hearings around the country for the President on these issues which has been carried out by the Domestic Council, which is made up of members of the Cabinet who are responsible for the various programs, domestic programs.

QUESTION: Mr. Vice President, who is paying for this trip?

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THE VICE PRESIDENT: I would assume that the National Committee -- if I am correct -- the Republican National Committee.

QUESTION: Mr. Vice President, people in this area particularly are quite conservative in their government and they don't want more government like HUD, HEW, and OSHA, and Medicaid, Medicare and Day Care Center regulations.

Is there ever any chance of relief from Washington?

THE VICE PRESIDENT: You are touching on a subject which is very close to my heart. I was a Governor of one of the 50 States for 15 years while most of these programs slowly were originated in Washington.

There are now 863, what are known as Categorical Grants under these programs you are talking about. In each case they have provisions which require matching funds by State and local government.

You have to enrich and improve your existing program to get those matching funds. You then are subject to regulations passed by the Congress, plus the regulations established by the agency that is carrying out the program.

I think, and I have said this publicly, and I said it in messages to the legislature during the last three or four years of my tenure in office, that this is getting to be an impossible situation. We are getting into a situation where elected officials, whether it is a mayor, a governor, a county executive or a department head in Washington, nobody, or President, nobody can really be said to be responsible to their constituents for the carrying out of a program because all three levels of government are involved.

This is a very bad situation if you believe in the Federal system. I do; of shared responsibility, but I feel very strongly that local governments should do those things which they can do the best, State governments should do theirs and the Federal Government should. We shouldn't all be mixed up in all of these things where when, as a citizen or a constituent, you don't know who to go to and say, "I don't like the way this is being run and I want to talk to somebody who is responsible." Then you can't find anybody because we are all involved.

That is what this study is about and the Governors have discussed this. They used to when I was there, Dewey and Ray Shafer is here, too, former Governor of Pennsylvania, who was a wonderful Governor.

We are all worried about the growth of this bureaucracy which gets involved in the carrying out of these programs. This is also true in water pollution control, air pollution control, safety control, equal opportunity control.

It is getting so that both for local government and State government and for private enterprise that you don't know where you are going to be a year from now as to regulations.

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Therefore, you can't make plans. This is very difficult. I know the President is tremendously concerned about this and he wants to try to see if we can't now after 20, 30 years of the development of these programs, take a fresh look at the whole situation.

We want to help people. We want to do the things that are needed. We want to do it efficiently and economically and get rid of the red tape, the overlapping and the bureaucracy and the lack of responsibility, get it simplified and get it so that people can't beat the system because an awful lot of people today at all levels, who are trying to get a free ride or beat the system, and are getting on one program and another, who don't deserve it, who don't need it, and therefore prejudiced the possibilities for those who really do need it.

I think it is going to take a very major overhauling and whether this is possible or not is another question. I think it is essential.

The rate of increased government expenditure is so great through the built-in programs which already exist that we haven't got, we are not generating the revenue to pay for it and therefore it is going to start to cut into the capital formations that are needed for production of goods and services that the consumers of this nation want.

It is going to have a very serious effect on the basic sources of government revenue which is private enterprise; 85 percent of the money for private enterprise comes from, I mean 85 percent of the revenue of government comes from private enterprise, from those who are employed by private enterprise and those who receive dividends in the form of taxes.

These are the problems we face. This is why I am here and going around to start to get public awareness of this so that we can get the possibility of -- this is true in anything in life. You start things. At some point you have to take a look and review the whole thing and learn by experience to get it straightened up. I think it can be done and the President wants to.

I thank you all very much. It is an exciting time to live. I am optimistic that we can do this, that we will do it. This is the greatest people in the world. We are free people. We learn the hard way, but we are going to do it.

We have got the capacity and there are no problems we can't solve as long as people with goodwill sit down, get together and work them out, and that is the American people.

Thanks a lot. It is a pleasure.

END (AT 5:50 P.M. CDT)