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B U S I N G

The busing question will probably come up with the press. The following argument could be used for any and all questions:

ANSWER:

Let's remember we're talking about children. The question is how do we get the best education possible for all children. I don't think busing has resulted in better education, and in many cases, children have suffered because of the problems created by busing. It's critical to look for better ways to achieve a good education for children of all races and to keep our National commitment to equal rights. We can do both by seeking alternatives to busing.

# # #

—  
Rusty

THE WHITE HOUSE  
WASHINGTON

Please make file for  
Pres section on

"Busing"



THE WHITE HOUSE  
WASHINGTON

fran -

pls have  
sheila sign  
+ send to  
Eleanor Connor

Thnx.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Dallas, Texas)

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THE WHITE HOUSE

3-1

REMARKS OF THE PRESIDENT  
AT THE  
18TH BIENNIAL NATIONAL FEDERATION  
OF REPUBLICAN WOMEN'S CONVENTION

DALLAS CONVENTION CENTER

11:00 A.M. CDT

Mary Louise, Senator John Tower, distinguished Members of the Congress, Bill Archer, Alan Steelman, Frank Gaston, Jack Kemp, Governor Bond:

Thanks very much, Kit, for the wonderful day that we had in the State of Missouri yesterday. It was just a terrific day, and I thank you and your wife Carolyn for your kindness and hospitality.

Anne Armstrong, it is wonderful to see you. We thank you for the super job that you did for so long. It is nice to be in your State.

Let me thank all of you for the especially warm and friendly welcome. I have heard nothing but wonderful comments about the Convention, the enthusiasm, the dedication and the conviction. You know there is a slogan that says, "Never underestimate the power of a woman."

I can assure you the National Federation is an organization of Republican women whose power, prestige, perception and purpose will never be underestimated by anyone. I know it, you know it, and next year a lot of Democratic candidates are going to know it, too.

First, let me thank President Connie Armitage for her introduction, and let me also thank Connie on behalf of all Republicans for her quarter century of outstanding contribution to our party.

Connie, you have made excellence look all too easy, but the Federation has always been very rich in exceptional leadership, and I know that you, Pat Utar, will continue this great tradition of outstanding executive achievement.

MORE

As one Chief Executive to another, I pledge, Pat, my fullest cooperation in putting our party's principles to work throughout the length and the breadth of this United States. The Republican Party, its men and women, will be facing a historical challenge next year. 1976 will determine whether we can regain our numbers, our stature, our effectiveness on the national political scene.

Rather, America is truly on the road to one-party role. To meet this challenge, we need the spirit, the determination and, above all, the talent of all Republicans. We need your help, as I have gotten that wonderful help over the years from the Michigan delegation here at this time.

Frankly, I have had it with the negative attitude that would write a self-fulfilling prophesy of doom for America. I have heard much too much from people who say everything is falling apart, how the quality of life in America is sliding downhill, how the dollar is worthless, how muggers and murderers have driven everyone behind locked doors, and how even the President of the United States should stop visiting public places and seeing the American people.

I have had it with that attitude. I did not take the sacred oath of office to preside over the decline and fall of the United States of America. I most emphatically reject the scenario of pessimism.

In contrast, I look to the future and to building upon the proud past of America. America's first century, as a young Nation, forged political institutions responsive to the people. Unity grew from diversity.

The second century transformed America into the most productive Nation that ever existed. America vibrated with pioneer courage the achievements of industry, agriculture and free trade unions -- incentives of the free enterprise system sharing of gains at both home and abroad.

The third century begins in less than a year. Let this new era be one of fulfillment for the individual.

I see a century devoted to the quality of personal and family and community life.

I see people solving problems rather than wallowing in despair.

MORE

9/13/75  
18th Biennial  
Natl. Fed. Rep.  
Glover  
Dallas

I see our people making their own decisions rather than abdicating their future to the massive big brother Governmental structure or turning their lives to the 1984 nightmare script of what our third century could be. It is my fervent conviction that a government big enough to give you everything you want is a government big enough to take from you everything you have.

I ask you to share my vision of a third American century in which the individual, not the Government, makes personal choices. I am confident that the American spirit that brought us to our 200th birthday has produced men and women who are determined to prevail over the agencies and bureaus of Government that would reduce human beings to computerized abstractions.

I see American individualism as the sentinel of 1976 standing watch over the future. Never forget that in America our sovereign is the citizen; the Government exists to serve the people. Government must never become an unresponsive monstrosity that masters everyone and is responsive to no one.

My vision of America's third century is a time of achievement rather than apathy fostering human growth and spiritual and moral greatness.

Two centuries of struggle won for America a great measure of political and economic independence, and I am proud to be President of a free Government that checks and balances its own excesses. I am proud of a free economic system which corrects its own errors, controlled by the marketplace of free and enlightened consumers.

I am especially proud to be a member of a political party that cherishes the individual and believes in Government that does for the individual only that which he or she cannot achieve alone. That is what freedom is all about.

Let me add at this point, if I might, the matter of deep concern to me -- a matter that I am positive is of deep concern to all, those here and 214 million Americans -- we have tried hard, we have written laws, we have appropriated money to accomplish quality education for the young in America. In 1954 the courts of this country decided that one way in their estimation to achieve that was court order forced busing. Now, regardless of how we individually may feel, the law of the land must be upheld.

MORE



But if I could give you a view that I have expressed, not just recently but for 10 or more years, there is a better way to achieve quality education in America than by forced busing. We can and we will find a better way.

We can increase pupil-teacher ratios; we can improve facilities, have more and better equipment, rely more heavily on the neighborhood school concept. There is a way and we must find it.

Our forebearers who founded this great Nation were driven by a passion to be individuals. They created a system of Government that gave form and substance to that revolutionary goal, but then the politicians and the theorists began to intrude upon this individuality with theories that big Government and Federal spending could cure every social evil.

They began to preach that our free enterprise system needed oppressive Government rules and regulations to protect the individual. They started a trend that now threatens to engulf us as individuals as well as the entire Nation. A trickle of Federal spending for human need has become a tidal wave under Democratic Congressional action.

Some laws needed to promote competition have become a maze of regulations that are strangling our economic system. Every new dollar appropriated, every new law that fetters free enterprise erodes personal freedom. We are losing that freedom that made it possible to build this truly great Nation.

The flood of Federal spending covers a wide range of income redistribution programs -- programs enacted by the Congress under which a qualified system is automatically entitled to specific benefits. Some of these programs are necessary and commendable but in this fiscal year those laws enacted by the Congress will total in a 12-month period more than \$168 billion. They will eat up more than 45 percent of total Federal expenditures.

Ever increasing Government spending for all social programs literally threaten our whole economy. If that spending grows at the rate of the last 20 years, by the year 2000 half of the people in this Nation will be living off the other half. That will significantly change our form of Government. This trend must be reversed and it will be reversed.

MORE

Everybody here knows my record in the Congress where I was fortunate to win five Watchdog of the Treasury Awards every year they were issued while I was a Member of the Congress.

In the White House I have continued to fight the big spender but it takes a little time to undo the damage caused by 25 years of wreckless Democratic spending. And if not stopped, this Democratic Congress will balloon this year's budget deficit to \$70 billion, \$80 billion or even possibly \$100 billion. Are you going to let that happen?

The only weapon available to outnumbered Congressional Republicans is the veto. I have used it, and if necessary I will use it again and again and again.

These vetoes are positive. The framers of our Constitution intended that they should be. The experts tell me that my vetoes in this year alone will save taxpayers \$6 billion by 1977. I think that is positive action by any standard.

In addition, these vetoes have resulted often in far better legislation. When I vetoed irresponsible bills and enough Congressmen agreed to sustain the veto, the Congress was forced to come up with better bills more or less along the original lines that I proposed.

Senator Tower knows that in the housing bill and others on the Committee on Appropriations know that when Congress on a bill that I felt had to provide for summer youth employment a reasonable necessary budget request for \$900 million, the Congress loaded it up and larded it up with another \$2 billion in unnecessary pork barrel spending.

I had a veto. The Congress sustained it, and we came back with a reasonable figure.

What I am trying to say is that a veto can be used for affirmative action as the grantors of the Constitution provided in that document.

Now I have heard that some of the wild spending of the more liberal Democrats in the Congress want to switch billions of dollars from that defense -- money for the Army, Navy, Air Force and Marines, and to more social programs.

That would be dead wrong. If they don't already know it, I am going to fight them every step of the way.

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As we approach the campaign year of 1976, the air will soon be filled with the voices of candidates, the rumbles of bandwagons and questions of pollsters. Pollsters aren't the only ones who will be asking the question. Here this morning I have some questions of my own to ask.

Do you want your President to accept without a fight, budget busting appropriation bills? Let's put it another way. Do you want to be deep in the heart of Texas or deep in the heart of taxes?

Another question. Do you want your President to open the United States Treasury to every city that hasn't or won't responsibly manage its fiscal affairs?

Do you want your President to roll over and play dead while Congress passes more and more legislation to strangle free enterprise?

Do you want your President to go along with those who abdicate State and local responsibility to a massive Federal bureaucracy?

Do you want your President to accept legislation that will continue America's dependence on unreliable foreign oil?

Do you want your President to accept without a fight slashes in our defense program that would make America number two in a world where only number one counts?

As Americans concerned about the future of this great Nation, your Republican answer to every one of those questions has been a resounding no, and I thank you for it.

I agree with you, and I intend to fight with everything at my command to make sure that we have fiscal responsibility in Government, a bigger free enterprise, a strong national defense, local control over local affairs and preservation of personal freedom for the individual.

Today, the Republican Party and the American people are in tune, and in step, and they are an unbeatable combination. With your talent and with your enthusiasm, with your help, we can make 1976 a year all Republicans and Independents will remember, and Democrats may never forget.

Thank you very much.

END (AT 11:27 A.M. CDT)

EMBARGOED FOR RELEASE  
UNTIL 11:00 A.M. PST

OCTOBER 30, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Los Angeles, California)

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THE WHITE HOUSE

INTERVIEW WITH THE PRESIDENT

BY

LARRY MOORE, KMBC-TV  
GABE PRESSMAN, WNEW-TV  
ALAN SMITH, WTTG-TV  
GILBERT AMUNDSON, WTCN-TV  
KENNETH JONES, KTTV-TV  
AND  
HERB KLEIN, METROMEDIA

CENTURY PLAZA HOTEL

7:44 A.M. PST

QUESTION: America's largest city, New York, the big apple, is on the verge of bankruptcy. Other cities also fight for survival. Traffic chokes the arteries, spewing fumes into the once clear skies, streets and sidewalks are turned into garbage dumps, crime is rampant, frustrated by spiraling costs. Public servants go on strike and march in picket lines. A desperate plea for help goes out to the President and Congress. Searching for answers is Metromedia News Reporters from across the country have gathered in Los Angeles for an exclusive interview with President Gerald Ford about the crisis in the cities and other issues.

Metromedia Vice President Herb Klein is the moderator.

MR. KLEIN: Good morning, ladies and gentlemen.

Mr. President, it is a pleasure to welcome you to this unique Metromedia news team presentation of an interview based on the problems of the cities and many other current issues facing the country at this time. It is a pleasure. Welcome, Mr. President.

THE PRESIDENT: Thank you very much, Herb. I am delighted to have an opportunity of seeing some old friends and making some new acquaintances, and I look forward to a very active discussion of some of the problems that I know are on the minds of these gentlemen as well as others.

MR. KLEIN: Thank you. Our first question will be from a man you know from New York, Mr. Gabe Pressman, from WNEW Channel 5, New York City.

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(OVER)

P 11-12

QUESTION: Mr. President, the New York Daily News today carried the following headline bannered on its front page, "Ford to the City: Drop Dead." Is that what you were saying yesterday?

THE PRESIDENT: Gabe, not at all. I was saying to the City of New York that the best way is for we in the Federal Government to put pressure on the responsible officials in the State and in the City to do some things that had to be done that have been neglected, have not been done over a period of time and indicate to the City that if responsible officials at the State and local level don't act, then there was a way in which the Federal Government, after default, could come in and participate in providing what we call essential services.

But the people in New York have been the victims of mismanagement by public officials and the only way to get that situation straightened out is to put the pressure on those people to do what they should have done over the years.

I have great sympathy for the people of New York, 8 million people who have been misled, who have not been given the leadership they need.

QUESTION: Mr. President, you made two speeches yesterday, one in Washington in which you said our leaders in New York have to take the responsibility for past follies, what you have just said. You also made one here in Los Angeles to a Republican fund raising dinner in which you expressed great sympathy for the middle Americans, the middle class Americans, and the pensioners and the people who are really footing the bill and taking the punishments in this country. Isn't it a fact that default in New York City is going to affect tens of thousands of these people, both civil servants who will be laid off and people who work for private vendors that aren't going to be paid by the City of New York, so is there an inconsistency between your attitude on default and your sympathy expressed for the little guy?

THE PRESIDENT: Not at all, Gabe. The principal investors in the securities, the long-term bonds and the short-term notes, are the banks in New York City and throughout the country. They have made an investment in the free market. They took a gamble on a tax free investment, they expected to get a return. If the City officials of New York don't do something properly to correct the situation, these investors, yes, will have to defer the receipt of their interest and the repayments on principal. But they made an investment in a free market. They should have known that the circumstances weren't as good as they might have been told they were.

MORE

On the other hand, we have said to the firemen, to the policemen, to the the nurse in the emergency ward, we will help and work with the court if default comes, and there is no need for it to come in the first place, but if it does, we will help that group of people to provide those essential services to the 8 million people in the City of New York. I don't think there is any inconsistency at all.

MORE

QUESTION: Granted what you just said, and I will just make a very short question, Mr. President.

There are thousands of people, it is a fact, who are not big banks, who have New York City bonds, including widows and orphans and little people who thought this was a good way to spend much of their life savings in buying these bonds.

What about them? Should they be punished for the sins of our politicians?

THE PRESIDENT: It is a relatively small proportion of the total amount owed by the City of New York. I think the city owes in the magnitude of about \$12 billion, short-term, long-term obligations. Those obligations can and will be paid.

There may be a temporary deferral in order to give the city an opportunity to straighten out its situation so that current bills can be paid. But, if the city is properly led, those small investors will get their money, but there may be some delay.

MR. KLEIN: Mr. Alan Smith, with the good Channel 5, Washington.

QUESTION: Mr. President, we have seen for some time now the long stalemate over an energy policy, an energy program. Now we have New York City, and we supposedly have a time element there of November 30.

Now, you asked Congress to pass bankruptcy legislation. If Congress refuses to do that, and you follow through on vetoing any legislation that they may come up with for Federal loan guarantees, what happens to New York City after November 30?

THE PRESIDENT: I think I made it extremely clear, Alan, that the eight or more proposals that have been floating around in the House and Senate were totally inadequate. There wouldn't have been any answer, or won't be any answer to the problem because they just delay, delay, they carry on, perpetuate the mismanagement we have had in New York City.

I am not sure, to be honest with you, that any legislation can pass the Congress. I think the only legislation that will pass the Congress is the proposal that I made. So, it is not a choice of what others have recommended, eight or more bills and mine. That is not the choice.

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I don't think there is a majority in the Congress to pass any one of those eight other bills. I know there are not enough to override a veto, so the real alternative -- unless the city and the State do something affirmatively to avoid the problem in the first place -- I think the only choice is my proposal.

MR. KLEIN: Mr. President, our next question will be from Larry Moore, KMBC, Kansas City.

QUESTION: Mr. President, what can you tell the taxpayer in Kansas City or elsewhere in the country who is concerned about the situation in New York because he fears if his public school district or his city wants to build a new building, in order to get bonds, the district or the city would have to pay a higher interest rate, he would have to pay higher taxes to finance the bond issue.

What can you tell him with the New York crisis?

THE PRESIDENT: Larry, there is a very good answer to that. As Alan knows, in the last week or so in the metropolitan area, the City of Washington, or the District of Columbia, two or three well-run local units of Government sold bonds at a better price than they had ever gotten in recent years.

Those communities, those local units of Government that are well-managed, people want to buy them. Investors want to invest because they are good securities. So, the message is really to local officials, "You run your city, your school board or any other local unit of Government well, and you will have plenty of investors and you will not have to pay a high interest rate."

QUESTION: If that situation would change, if there would become extreme fear even with well-managed units of Government because of the situation in New York, and New York defaults, would you consider altering in any way your position of yesterday that you would veto any measure Congress would pass to bail out New York City?

THE PRESIDENT: I think you are approaching it in the question from the wrong end. We have to assume that locally elected officials will do a good job, and 99-9/10 of them do a good job, so there is no need to worry.

I don't think we should be scared. I don't think the American people should be frightened by the very small percentage of local officials who don't measure up and handle their affairs in a proper way.

MORE

The history of this country is that we have had good local Government and we shouldn't be terrified by the mistakes of a limited few. I think Kansas City, Minneapolis, many other cities throughout the country are well-managed, and we should make sure that they have an open market where they can sell their securities at a fair price. If they are well-managed, those markets will be available.

MR. KLEIN: Our next question will be from our Metromedia newsman from WTCN, Channel 11, Minneapolis, St. Paul, Gil Amundson.

QUESTION: Mr. President, critics of your stand on New York have said it is insensitive, punitive and in reality it will cost the Nation more to default in New York rather than to prevent it.

How do you respond to that?

THE PRESIDENT: I don't see how it possibly can cost more. The City of New York and the State of New York have ample resources. They can raise taxes, and they can cut down expenditures. They can modify spending programs.

If they do those corrective actions, which they failed to do for the last few years, there is no loss at all.

I think it is a warning to the public and every city in the whole United States -- make doggone sure you have mayors and aldermen and councilmen who are going to manage your city properly.

Fortunately, that has been the case. If it continues, there won't be any cost at all. In fact, it will be better. In the meantime, New York City has an opportunity to do something correctively, and it won't have any problems either.

MR. KLEIN: Mr. President, Ken Jones, KTTV-TV, Channel 11, Los Angeles.

QUESTION: Mr. President, who specifically is to blame for New York's problems? Is it the former administration of Mayor John Lindsay, and did it carry to the State House and Nelson Rockefeller -- now the Vice President -- or is it the current administration of Abraham Beame?

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THE PRESIDENT: I don't like to point a finger, Ken, at any one individual. I think the record is very clear that the City of New York in the last ten or 12 years has had an escalating budget. Their expenditures have risen at the rate of about 14 percent per annum; their income at the rate of about 4 to 5 percent per annum.

The net result is they have had an escalating obligation, a debt they have to carry, about \$12 billion. The record shows who was in charge of the city, and as Al Smith used to say, "Let's look at the record," and we will see what the public reaction is.

QUESTION: Is your investigating going to carry to the State House under Governor Rockefeller?

THE PRESIDENT: In this particular case, the City of New York itself, there is no history of the State being involved. In the recent months, of course, the State has gotten involved by what they call the big MAC.

But, the primary responsibility rests with the locally elected officials over a period of ten or 12 years in the City of New York.

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QUESTION: One other question. Governor Carey said yesterday that you said you did not want to make the State or the City wards of the Federal Government and he said your proposal does in fact do that. It puts the Federal keeper in and makes it a ward of the Federal Government.

THE PRESIDENT: There is a difference. Under the plan that I propose, the City of New York, for a temporary period of time, would come under the jurisdiction of the Federal courts; not a politician, a judge. It can get out of that situation as quickly as it gets its finances in order. I think it is a much more responsible place for this problem to be resolved than to make the President of the United States Mayor, on a temporary basis, for the City of New York.

A Federal judge who is under no political pressure can handle properly the readjustment of investments, the carrying on of essential services. That is something that can be done by a Federal judge in New York City, not by some elected or non-elected official in the City of Washington, D.C.

QUESTION: Following up on Ken's first question, Mr. President, you noted yesterday that in addition to the high salaries and the other burdens, there were fat pensions that were negotiated in New York. No pension improvement could be made without the approval of the Legislature and the Governor and it is a historic fact that Lindsay started the pension improvement but it was Governor Nelson Rockefeller and the Legislature that put those fat pensions through and many civic leaders agree with you, part of the cause of the financial mess we are in. You say you blame those who misled the people. Do you blame your own Vice President?

THE PRESIDENT: I was not cognizant that the State Legislature and the Governor had to approve the particular pension program. If it is, it is unique in New York City and New York State. Those are usually negotiated between the Mayor and/or his authorities and the representatives of the labor organizations. In no other State I am familiar with does the Governor and the State Legislature have to have anything to do with the details of pensions --

QUESTION: Well, I wouldn't try to educate the President of the United States, but it is a fact that all messages involving basic changes in law, including pension bills, have to be approved by the State Legislature and the Governor, and as a reporter over the last 15 years I observed both Lindsay and Rockefeller negotiating with the union leaders for these pension benefits that became staggering.

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THE PRESIDENT: Well, those pension programs by any other standards, let's be frank and honest, are far more generous than in any other community. As I noted in my remarks yesterday, those pension programs are non-contributory. If the information given me is accurate, that is the only case in any major pension programs throughout the United States for municipal employees. That is a very, very generous program. And I think it has contributed significantly and those who participated have to be responsible.

QUESTION: Including Mr. Rockefeller?

MR. KLEIN: Alan Smith?

QUESTION: Mr. President, in response to Larry Moore's question a few moments ago, you said that New York must practice budget balancing, budget austerity, by raising taxes, cutting expenses, perhaps halting capital construction projects. You said that before.

However, there are those New Yorkers, one, for example, Teachers' Union President Albert Shanker, who says that cuts imposed already by the State Control Board would eliminate another 50,000 city jobs in New York. That over a two-year period several billions of dollars would be taken out of the New York spending economy which could be used to help New York right itself.

In addition, he speaks of further cuts you suggest and he says this would be counter-productive. Mr. Shanker contends it would be a vicious circle, that it would not bring New York out of its solvency, that New York does need Federal aid. What is your response to that?

THE PRESIDENT: In the first place, let me say the Federal Government does contribute significantly right now on an annual basis to New York. New York City's budget on an annual basis is roughly \$12.2 billion a year. The Federal Government contributes approximately 25 percent of it so the Federal Government has been very generous with New York City. We have paid 25 percent of the costs of running New York City today.

Now that is pretty high. I happen to think that that generosity has been, in many cases, misapplied by the responsible public officials in the City of New York. A further bail out is not essential providing the local people do the things that are necessary.

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Now, under the theory that was set forth by one or more of the gentlemen you mentioned, under that theory, the more you spend over the long run, that is the quickest way to get out of a problem. I have never known anybody in private business or any family, or any church or any Government, that followed that theory that survived very well.

It sounds good but in practicality each and every one of us know it never works. And the only way for New York City to straighten out its problems is to tighten its belts. And if they haven't done it enough, and if they do it right, New York City can get straightened out.

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10/30/75  
Larry Moore  
KMBC-TV  
Century Play

QUESTION: Mr. President, school busing is a problem affecting Kansas City and many other cities in the country. You have not exactly endorsed school busing to achieve integration in the schools, but at the same time, you haven't exactly outlined an alternative.

What hopes can you hold out for cities like Kansas City that run the risk of losing millions of dollars in Federal aid in the not too distant future if they don't use school busing?

THE PRESIDENT: Really, I have spoken out consistently and for some time on this problem. I was one of the original Members of the House or the Senate that said that court-ordered forced busing to achieve racial balance was not the way to accomplish quality education.

That has been a consistent statement, view, policy of mine for a number of years. I believe it even more fervently today than I did before. So, we have to start out with the assumption that education, quality education, is what we are all seeking to accomplish.

Now, some people say we ought to spend more money, and I think there are programs where you can spend more money at the local level to upgrade schools in disadvantaged areas. There are others who say the long-range and, even to a substantial degree, short-range, is better distribution of housing, so we achieve integration in a different way and you can still rely on the neighborhood school system.

Dr. Coleman, who testified before the Senate Committee on Judiciary just a few days ago, had some thoughts on it. It is interesting that Dr. Coleman, who was an initial proponent of busing to achieve quality education, has now -- after studying the problem in a number of cities -- come to the conclusion that it is not the answer.

I don't think there is any patent medicine that can give us the answers, but I think we ought to spend whatever money is necessary for what we call magnet schools, to upgrade teachers to provide better facilities, to give greater freedom of choice. These are the things we ought to push hard.

QUESTION: There are those who say, including Congressman Jerry Luttin from Kansas City, that a separate Department of Education should be established, taking it away from HEW.

Would you be in favor of establishing a separate Department of Education to handle the complex problems of busing?

MORE

THE PRESIDENT: I don't think that, in and of itself, is a solution. That sounds good. Maybe it ought to be justified on other grounds, but I don't think it is necessarily the answer to this problem.

QUESTION: Gentlemen, our time is limited.

QUESTION: Mr. President, my cities -- Minneapolis and St. Paul -- much of that region faces some serious economic questions because of the impending cut-off of oil and natural gas from Canada.

It means we will have to bring it in from more expensive sources. The shortage of natural gas could even lead to higher unemployment.

Has the Administration given this any attention?

THE PRESIDENT: We certainly have. Our Secretary of Interior has been working with the proper officials in the Government of Canada. I have talked to former Natural Resources Minister Mr. Macdonald. We have groups working together.

As I understand it, Canada has agreed not -- for the next 12 months -- to have any significant change in the supplies, either crude oil or natural gas.

In the meantime, Congress has to pass an energy program so we can solve those problems in the upper tier, the Northern tier, including Minnesota, Michigan, North Dakota, et cetera.

If we can get a bill through Congress to provide more domestic sources of energy, making us less dependent on foreign oil cartels, the problems of Minnesota, Michigan and others will be resolved.

MR. KLEIN: Ken Jones.

QUESTION: There was a story in the Los Angeles Times this morning that your campaign committee has, or is about to, ask the Federal Election Committee to investigate our Governor, Ronald Reagan, that he is an acting candidate, that he is a candidate now.

Do you believe he is a candidate?

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THE PRESIDENT: As I understand it, Ken, technically he is not, no more so than Governor Wallace is. There are really two steps as the law has been written, and as it has been implemented. Technically, I don't believe that Governor Reagan is a candidate, and I certainly will give him or any others in similar circumstances the benefit of the doubt.

I don't think I ought to argue the details of that. That is something for the Federal Elections Commission to decide, and I am sure they will.

MR. KLEIN: Gabe Pressman.

QUESTION: Mr. President, yesterday you noted that tens of millions of Americans have entered the golden door in search of liberty through New York. Since World War II there has been a tremendous migration within this country of Puerto Ricans and of black Americans up to New York from the South.

New York has a tremendous welfare, and while we get some help from the Federal Government, we foot an awful lot of that bill ourselves.

Do you think it is time the Federal Government did more to help us in that regard?

THE PRESIDENT: Gabe, the Federal Government pays at least 50 percent of the welfare bill in the City of New York. We are very substantial contributors. The extra benefit over and above the Federal payment is a decision made itself by the City of New York, or the State of New York.

We are in the process, quite frankly, Gabe, of reviewing the whole welfare program. There are so many pieces and parts of it, and it is so uncoordinated, we either have to judge it all and come up with a new one or we have to find ways as an alternative to tighten up to give more to the people who deserve it and less or nothing to the people who don't. This is the problem we are facing, and we hope to do something about it.

QUESTION: Do you think the taxpayers of New York should be punished for their compassion to fellow Americans?

THE PRESIDENT: We all have to live within our income, Gabe, and if they have been overly generous over and above what the Federal Government contributes, I think they have to be faulted.

MORE



QUESTION: Mr. President, we don't have much time and this program has been devoted primarily to the city, such as its bills. However, I would be remiss if I didn't mention another November 30 deadline, the end of the UN mandate in the Golan Heights. Inasmuch as President Sadat of Egypt is in this country now, might we expect some announcement from you or from Secretary Kissinger in the not-too-distant future about any potential for movement toward an accord between Syria and Israel?

THE PRESIDENT: I have said that the United States will not tolerate stagnation or stalemate in the Middle East. I meant it. We are hoping that the parties involved in that area of the world will participate in preliminary negotiation discussion because we do have to go from the Sinai step to another step, or to an overall, and they all understand it. We are anxious that it take place but we are not in a position to tell them precisely where or when. We are going to keep the pressure on.

QUESTION: Will you have that November 30 Golan Heights statement?

THE PRESIDENT: That is a decision under UNDOF for Syria to make its decision. We hope, of course, that Syria will be responsive to an extension of it. We certainly will do our best to give assurances that there will be the right kind of movement in the diplomatic field to convince them that they ought to do it.

QUESTION: Mr. President, crime is a problem in our cities, of course, and the news media reports in St. Louis are saying the top White House people do not like the job that Clarence Kelley is doing as head of the FBI. What is your assessment of Clarence Kelley as Director of the FBI?

THE PRESIDENT: I think he is a first-class Director of the FBI. I read some of these rumor stories and I sought to hit them hard and to reassure him that he has done and is doing a first-class job. Well, I am perfectly satisfied with the way he is running the FBI and I so told him.

MR. KLEIN: Time has gone rapidly, Mr. President. There are other topics we would like to have covered. We would like on behalf of Metromedia and our news audience to thank you very much for joining us tonight.

THE PRESIDENT: Thank you very much, Herb. Thank all of you.

END (AT 8:15 A.M. PST)

MORE

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(St. Louis, Missouri)

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AND  
QUESTION AND ANSWER SESSION  
AT THE

ST. LOUIS WHITE HOUSE CONFERENCE ON  
DOMESTIC AFFAIRS AND THE ECONOMY

STOUFFER'S RIVERFRONT TOWERS

4:05 P.M. CDT

Governor Bond, Congressman Taylor, members of the Cabonet, the Administration, ladies and gentlemen:

It is really a great privilege and pleasure to be here in St. Louis, the Crossroads of America, and this very attractive Riverfront Towers.

I have been in St. Louis a good many times in the past and it really is a shame. I can recall rather vividly when big events in St. Louis were held at the Spanish Pavillion. (Laughter)

I do want to thank Secretary Mathews and his alma mater. And I expected to come to Missouri and have to give some odds to Kip on the forthcoming game between Michigan and Missouri. I think the situation is reversed. (Laughter) And we will have some negotiating to do later on, but my bargaining position is infinitely better.

Let me thank you all for being here. I had some prepared remarks which I have thrown away. I just want to get to the questions and the answers.

These White House conferences which have been held in a number of major communities throughout the United States are aimed at the fine people that are leaders in the Administration talking to you, but more importantly listening and learning from you. We think this is the best way to establish communication between people throughout the United States and the people who have some decision-making responsibilities in the Federal Government.

I have been President now about 15 months and we have had our share of problems. We have made headway in most of them; we admittedly have not solved all.

MORE

(OVER)

Some of the most difficult problems involve the economy and energy. In the area of the economy it is my judgment that we have moved out of the bottom and are starting upward with some very encouraging signs. In the last four or five months about 1,500,000 more people are gainfully employed even though the unemployment rate is far too high.

In the area of retail sales, industrial production and other significant signs in the area of the economy there is encouragement, but we are not going to rest in this area until everybody who wants a job and seeks a job gets a job. That is our definition of how we should handle the unemployment problem.

Number two, in the area of energy, we will not be satisfied until the Congress enacts either my program, which I think is the best solution, or their program, which I have not seen yet, (Laughter) and until some program is enacted that gets the United States free of the vulnerability of actions against our interests by foreign oil cartel.

So with those basic observations and comments, I will be glad to turn to the questioning and, as I understand it, the first is Mr. Barksdale.

MORE

QUESTION: Yes, Mr. President.

I am Clarence Barksdale, and I am President of the St. Louis Regional Commerce and Growth Association.

St. Louis, as you know, is the heart of the bread basket of the world and, consequently, we are concerned with the international commerce as far as agricultural products are concerned.

Accordingly, is there any consideration being given by your Administration about using our agricultural production and pricing as a leverage in the international marketplace, such as has to be done by us, by the OPEC cartels?

THE PRESIDENT: Let me emphasize that I consider the sale of our agricultural products overseas vitally important. Last year we sold \$23 billion worth, as I recollect. We bought about \$10 billion worth of foreign agricultural products so that the net gain to the United States in foreign trade was roughly \$12 to \$13 billion. That was significantly vital in our trade relationships around the world.

I believe that we can use food in a variety of ways: One, for humanitarian purposes for those less well off than ourselves but, in addition for a wide variety of other reasons, including foreign policy objectives.

At the present time, we have a top negotiating team in Moscow, for example, negotiating for a long-term sales contract with the Soviet Union so that if and when they buy, they buy under the terms of an agreement, not on sudden stopping and starting, as they have in the past, with 1972 buying a lot and several other years buying very little.

We think it is in the best interest of agriculture for us to have long-term contracts or agreements with the Soviet Union, as we do with Japan, as we do with other countries. We think this great resource produced by less than 6 percent of the American people, those that live on the farm, can be used and in a wide variety of ways, and we are going to do it for the benefit of all the 214 million Americans.

Thank you.

Mr. Douthit?

MORE

9/12/75  
St Louis WH Conference

QUESTION: Yes, Mr. President. I am Bill Douthit, the Executive Director of the Urban League of St. Louis.

Mr. President, your posture in the public press has appeared to be that of being opposed to busing. Now some well-intentioned whites are opposed to busing, as well as some blacks, but, Mr. President, my question is, how do we achieve quality education without isolating large segments of our population from each other?

THE PRESIDENT: I am glad that you put the emphasis where I think it belongs; namely, quality education.

Quality education under the method utilized by the courts is aimed at forced school busing. That, of course, came out of the 1954 Supreme Court decision.

I firmly say without any hesitation or qualification that if the court says something has to be done, it will be done, as far as this Administration is concerned, no question about that. On the other hand, it is my judgment that there is a better way of achieving quality education for all school children than by the court method.

It is most interesting. A very able black newspaper columnist by the name of William Raspberry, in the Washington Post this morning, said that court order forced busing was not achieving quality education. I wholeheartedly agree with him.

Now what can be a better way to do it? I believe that you can improve the facilities in many of the disadvantaged areas. Too often school boards have neglected some of the plant and equipment in those areas. We should increase the pupil-teacher ratio. I think that would be helpful in upgrading the educational opportunities of young people so they can achieve a quality education.

I believe that the Emergency School Aid Program which Congress approved roughly five or six years ago, it is about a billion and a half a year -- no, it is not quite that much but it is a sizeable amount -- can be focused in on places like Boston, as Secretary Mathews has done, or in Louisville where we are having our current problems; to try and get better faculty, better facilities, better equipment. In my honest opinion, that is a preferable way to achieve the objective of quality education without tearing apart some of the social fabric in some of these communities.

QUESTION: Thank you, sir.

MORE



THE PRESIDENT: Yes, sir.

QUESTION: Frank Gamelin, of the Higher Education Council in St. Louis.

Mr. President, those of us who profited from the GI bill after World War II and are grateful to America for what it made possible for us have long hoped, I think, that it would be possible for every man and woman to obtain from their fellow citizens, through Government, the support necessary to supplement family health to the extent that they could attend the post-secondary school of their choice in the program for which they are eligible.

Do you see any possibility of further implementation of this principle in planning for future spending in higher education?

THE PRESIDENT: We have a number of higher education programs. The GI bill that was originated after World War II is in full operation now and is continuing even though those who are in the military today are not in combat, and that was the general basis upon which the GI bill was initially passed at the time of World War II and at the time of Korea. We spend roughly \$1 billion to \$1.5 billion a year on that program at the present time.

In addition, we have a number of educational programs that are aimed at helping young people who want to go to college and who do not have the financial means to do so. We have a loan guarantee program with any loaning institution. We have basic educational opportunities with BEOG, or whatever the combination is, and there is another one -- I can't recall the name -- but the total amount available in these several programs is about \$1 billion a year. So there is really no reason today why no young person who wants to go to college can't get Federal financial assistance of a substantial amount. It won't cover the whole thing but it will cover a very substantial amount.

If I could add a PS to that, I believe in those programs -- and we recommended a very sizeable budget figure for all of them, roughly \$1 billion -- I am very disturbed at the default rate in those programs where young people borrow from their government and then fail to repay when they get through and get a job. That is an obligation to their government, and it is about a 20 percent default rate at the present time, and it amounts to \$200 million a year, as I recall. I don't think that is playing fair with the people who loaned them the money in the first instance.

I am for the program but young people have as much an obligation to repay their government as they do to repay anyone, and I just think we have got to instill that spirit in them. We are going to loan -- if the Government is going to loan, then they ought to undertake a comparable obligation to repay.

QUESTION: Mr. President, I am Ann Slaughter and this is Del McClellan. We are Co-Chairmen of the Women's Crusade Against Crime, which for five years has been marshaling citizens to seek improvements in the criminal justice system.

Unhappily, our country has witnessed an increase, rather than a decrease, in crime. Citizens are increasingly frightened by the horrendous acts of criminals. The time has come to return principal consideration to the victims of crime.

This means swifter justice in the courts through outline of unjust delays. This means effective correctional facilities for those convicted. However, impoverished citizens do not have adequate funds for maintenance of deteriorating neighborhoods which breed crime. We need more Federal funds to be made available for our cities.

My Co-Chairman, Del McClellan, will ask our question.

QUESTION: Mr. President, improvements in the system are very important, but they will be useless without good men and women. Paramount is the need for a return to individual honesty, to respect for personal and property rights.

In this, our Bicentennial year, we ask that you follow the directive of Benjamin Franklin, who in 1880 asked that a moral science be developed to carry personal morality forward with the amazing scientific and engineering feats he so accurately predicted.

Fighting crime without the full commitment of the American people to a return to the moral values which made our Nation great is an expensive and completely hopeless enterprise.

As Mr. Seidman told us at lunch -- and I think I quote him properly -- he is looking for new directions to go back to old truths.

I am asking if you could not convene a working task force to develop guidelines toward a revival of spiritual values as inscribed on our coins, In God We Trust, appoint men and women of wisdom from churches and schools, and homes, and then could you please use your good offices to spread these principles of right conduct through the printed word, news media and television, which would again lift the spirit of our people and encourage the return of heroes to our land?

MORE

THE PRESIDENT: I made a speech this morning, or this afternoon, where I made some comments that I think would fit in very neatly with the observations made by both of you.

I think that we have got to seek the strengthening of the family, in the first place, and the strengthening of our individual ties to the church in the second.

I believe that all of the money we have spent -- and we have spent a great deal of money at the Federal level, about \$800 million a year in the last three or four years -- for what we call Law Enforcement Assistance Act programs, Federal money to States and local units of Government, and unfortunately despite that vast expenditure of money, the crime rate continues to go up.

So, money itself will not meet the problem. The basic one is how we can strengthen the family, the church, our moral and spiritual values.

I will take under consideration the establishment of a national commission or committee, but I think it is more basic than that. I think the leadership has to come from the clergy, from civic leaders, from others in the local area.

I will certainly consider it, but I think we ought to take a look at other alternatives aside from money, and money at the Federal level really has not solved the problem.

Thank you very much.

QUESTION: Mr. President, my name is Sugarman. I represent the Ozark Chapter of the Sierra Club.

We have a great many problems in the St. Louis region, stemming from the Corp of Engineers relentless promotional activities on the Mississippi River and on our agricultural flood plains and on our scenic Ozark streams.

The Council on Environmental Quality has recently conducted a special review of the Merrimack Basin Dam project in Eastern Missouri, but has been blocked by the General Council from publishing their findings. Meanwhile, citizens would like very much to debate the issues knowing the facts that CEQ has developed.

Mr. President, will you ask the CEQ to make their findings known to the public on this and other similar projects?

MORE

THE PRESIDENT: I am generally familiar with that project. I will find out the details from Governor Peterson and his associates at CEQ. I would certainly consult with him as to whether or not those findings by him should be made public.

I don't think it is appropriate for me to make a commitment at this time. Their procedures, I would assume, would call for such documentation being made public, but I think it is the better judgment for me to consult with him and his associates before making any categorical commitment.

I can assure you that whether they are made public or not, they will be made available to the proper authorities within the Government and they will be considered by all of those who have a responsibility in making the final decision.

I think we have to incorporate in any decision-making process whatever EPA or CEQ or the Corp of Engineers, the Department of Interior, the Bureau of Reclamation, the Forest Service and others ought to have an input but at some point somebody has to make a decision.

As long as the flow of information is free and those who have that responsibility analyze at all, there has to be a cut-off point, and once that process has been concluded, and I think in this case it will--then we either proceed or don't proceed, depending upon what a responsible official decides.

QUESTION: Thank you.

MORE

QUESTION: Mr. President, I am Roger Guyot, President of the World Trade Club of St. Louis.

We are concerned regarding the trend towards reduction and elimination of assistance to Midwest business firms engaged in international trade. Specifically, we believe the case for the Domestic International Sales Corporation, otherwise known as DISC, that this as an incentive is as important now as it was in 1971. U.S. companies need a tax stimulus to compete on equal terms with the foreign governments who subsidize their producers and their industries. Would you comment, please?

THE PRESIDENT: I was in the Congress in 1971 and voted for the legislation that incorporated DISC. I believe DISC is just as important today as it was then. It helped to expand our trade at that time. I think it can be beneficial in expanding trade at the present time, giving incentives for the expansion of our trade.

I would hope the Congress in its deliberations would not rescind the legislation. This Administration will not recommend the abolition of the DISC program.

QUESTION: Mr. President, I am Randy Parent, President of Vocational Industrial Clubs of America.

Just how much monetary support is being given to the vocational education in the future, and what is being done to promote the growth of the vocational education?

THE PRESIDENT: It is my best recollection that in the traditional vocational education program there has been a gradual increase -- if my memory is accurate, it is about \$300 million a year. Is that roughly right?

Well, I can tell you that it has been on an increasing scale, and I think that figure is roughly right.

Now in addition to the traditional vocational education programs we have what is called CETA -- Comprehensive Educational Training Act, CETA -- and (Laughter) it has been funded this year at a figure of \$3 billion 200 million.

Included in that program was \$450 million for the summer job training program for young people, which was very helpful -- it had some aspects of vocational education.

MORE

The remainder of the CETA program is aimed at vocational training primarily for those people who are out of work of one occupation and seeking employment in another occupation. So roughly \$2.5 billion is available in that aspect of the program plus the traditional high school and vocational education program.

Now that is a lot of money -- I think it has generally done a good job. But what has bothered me about some of the vocational educational programs and some of the CETA training programs is that we have a training program that does not necessarily relate to an occupational area where there are job opportunities.

I know from my old experience in the Congress that we used to establish -- not we but the Department -- job training programs, and then all of a sudden when the program ended there were no job opportunities in that particular employment field. I think there has to be a better coordination in finding out where the job opportunities are, the shortages exist, and then train people for those shortages rather than just train them for an occupation where there are no job opportunities. I think we can do a better job spending that much money in this aspect of vocational education.

QUESTION: Thank you.

QUESTION: Mr. President, I am Geraldine Berry, Board Member for the St. Louis OIC. My question was just asked but I have another.

Many of the social and training programs which have aided the poor, the minorities and the disadvantaged were begun under other Administrations. Your Administration has continued some of these programs either through transferring them to other departments and then to the creation of the Legal Services Corporation.

Mr. President, my question is: Are there any other social programs that you might have in the planning stage that might alleviate some of the many ills of our community? If not, what can the poor and the disadvantaged expect from your Administration, particularly in terms of full employment and hope for the future?

THE PRESIDENT: I think the best opportunity for those that are disadvantaged is to have a healthy economy, and let me tell you the burden of not having one.

MORE

This past year we have spent between \$18 billion and \$20 billion in unemployment compensation by the Federal Government itself. In addition, we have had a tax loss so the net result of not having a healthful economy has been very substantial.

What we have to do is stimulate the economy so we have less unemployed and a bigger tax base or a tax base with a greater depth. Now if we can get the economy going, we won't have to have as many of these so-called aid programs as we have at the present time. We could cut back and should cut back in a responsible way in the food stamp program, the welfare program, if people are working.

Now the Vice President is undertaking, beginning in about 10 days or two weeks, a series of meetings with the Domestic Council in 9 or 10 cities throughout the United States where there will be opportunities for individuals or groups to testify in the area of welfare, food stamps, training programs, the whole range in this area, and it will be a wide open opportunity for groups and individuals to testify whether they want more of them or they want less of them. It won't be a stacked house, I can assure you.

So we will get some ideas from the people in this operation under the Domestic Council headed by the Vice President. At the moment, it is my honest opinion we have got enough programs; we just have to make them work better. We have some that are top-heavy with Administration. We have some where the benefits are paid through error, and that is unforgiveable in this kind of a society. We have some where the instances of illegality are far too high.

It is a very strong belief on my part that we can make the programs we have run better and then we won't have to worry about new programs because we have got them to the extent of about 1,000 categorical grant programs in the Federal Government, and if that isn't enough, then I am really mystified. A thousand categorical grant programs ought to be sufficient to handle the problems we have at the present time. We just ought to make them work better, and I think we can.

QUESTION: Thank you.

QUESTION: Mr. President, I am Bill Vorbeck, President of the St. Louis Police Officers Association.

It is our opinion, the St. Louis Police Officers Association, that one of the most productive ways for federally-funded agencies and commissions to operate at the local level, such agencies as LEAA, are to have input from the grass roots.

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Therefore, my question is: Does the Government have any plans that would permit local police associations to nominate one or two of their members to federally-funded local boards so that the police officer on the street can have some input into the agencies' programs?

THE PRESIDENT: Under the LEAA, Law Enforcement Assistance Act, that was passed about 1967 or 1968, the money goes to the State and then is filtered down to the local communities. The basic law provides that there shall be a commission at the State level -- and I think each State has a different title, but it is a board or a commission that operates at the State level for the distribution or the recommendation for the distribution of the money that goes to the State for funneling to the local units of government.

I think it would be helpful in each State to have that kind of representation. On the other hand, not knowing how each State sets up its boards -- some States may have 20, some may have 5 on that board -- I am just not familiar with that detail -- but there ought to be some representation, let me put it in that context. How much, I am not qualified to say. There should be a point of view on that board from people who are on the firing line, so to speak.

QUESTION: Thank you.

THE PRESIDENT: I hope I didn't get the Governor in trouble. (Laughter) I didn't get in trouble with the Governors, let me put it that way. (Laughter)

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QUESTION: Mr. President, I am Joe Snyder of Gallatin, Missouri, the Missouri Press Association which represents the small city and small town newspapers of our State.

Many people are becoming quite concerned about the strikes that are directly affecting various levels of Government. We have seen law enforcement officers, firemen, teachers, garbage collectors and postal workers -- and I didn't mean to tie those two together (Laughter) -- strike or threatened strikes against the Government, and I am told that the Armed Forces are themselves not immune to overtures from those who would like to organize them.

Now, my question is, how far can these movements go without jeopardizing the historic role of public service jobs, and when does this type of pressure and coercion by those working for Government and paid from tax money begin to approach the degree of rebellion or insurrection?

THE PRESIDENT: At the Federal level, there is no authority for Federal employees to strike. In fact, if I am correct, I think it is prohibited. It is particularly so in the Postal Service. There is, in Postal Service legislation that was enacted in 1969 or 1970, a procedure by which if the new management of the Postal Service and the labor unions can't agree, there is an arbitration procedure set up whereby any irreconcilable differences can be mediated and decided by this arbitration board, and it is binding.

That is the only instance that I am familiar with in the Federal Government where this procedure is used. It has never gone that far. There has been negotiations on two or three occasions that were difficult, but there was never any need to utilize that procedure.

I feel that in the area of non-Federal Government employees -- and I am now getting into an area where I have no authority or jurisdiction, so I am only expressing an opinion -- that in the area of health and safety and security, there ought to be in that area -- like we have in the Postal Service, which involves for the Federal Government a great responsibility -- there ought to be some arbitration that ends in a decision if the two parties can't negotiate it.

It seems to me that the population as a whole, or citizens as a whole, need some protection, as we have in the Federal Government, for the Postal Service in State and local units of Government, and in some States that has been the case.

MORE

There is a procedure that I think has merit that has been tried in some areas of labor-management differences where you have an arbitration board and if they can't agree, then each party -- labor on the one hand, management on the other -- submits its best offer for settlement and then the arbitration board has to pick one or the other. They can't divide them in two.

What does this do? It gets both management on the one hand and labor on the other hand to make the best possible offer in the hopes that their view will be accepted and it does not give to the arbitrator the right to cut it down the middle, which I don't think in most cases is very good, and in this case where it has been used, it has been very successful. I would urge that as an alternative to the usual arbitration procedure.

QUESTION: Mr. President, Florence McGiffin, President of the Missouri Federation of Women's Clubs.

Some of our members have just returned from their spring buying of wearing apparel. Most of the merchandise is higher by 20 to 25 percent. What can be done about the rising prices?

THE PRESIDENT: The best way to battle inflation, or one of the best ways, in my humble opinion, is to get the Congress to stop spending a lot of the money that they are trying to throw away.

Let me be specific, instead of being perhaps facetious.

Last November and December I spent a good share of my time trying to put together the budget that by law the President has to submit to the Congress in January for action by them prior to July 1 of that year.

When we sat down and literally spent hours, low and behold, we found that despite our efforts to turn the squeeze to cut back employment, roughly 40,000, everything we could do, we ended up with a deficit of \$52 billion. \$52 billion.

I was dumbfounded. Then we submitted that to the Congress and under the new Budget Act that Congress passed a year ago, they now have a responsibility to analyze the budget, set their spending limits and come up with their deficit.

After I submitted the budget in January or February of this year, there were screams and hollers that I was a spendthrift. But, you know what happened when they had to sit down and do the same job? They came up with a budget deficit figure of \$68 billion and now, despite that cut-off point that they set, they have now gone above it about \$4.5 billion, so it is \$70 billion or more.

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Somewhere along the line, we have to start controlling some of the programs that have gotten out of hand. I think we can, but if we don't, these deficits, which will range between \$60 and \$75 billion this fiscal year and probably one of \$30 to \$50 billion next year, inflation will be very difficult to control, to get a handle on.

Now, there are other things that can be done, but this is the one where the President and the Congress have a responsibility, and I can promise you to the extent and the authority I have, that we are going to keep vetoing spending bills that go beyond the budget I submitted, and that was high enough, as far as the deficit was concerned.

Take the education bill that I vetoed this last week. The Congress overrode it 300 and something to 30 or 40 in the House, and in the Senate it was 70 something to 12.

That single education bill will add \$300 million to spending in this year and \$800 million next year over and above what I recommended, and I recommended more for this year than was made available last year.

So, we didn't cut anything back. But, as long as they keep sending appropriation and spending bills above a reasonable figure, I am going to veto them. I hope the Congress will finally awaken and find that they are the principle contributors to inflation in this country.

QUESTION: Mr. President, I am Bob Kelly, the President of the Advertising Club of Greater St. Louis.

We applaud and support in principle the Government guidelines which set forth certain things to be followed concerning faith and truth and accuracy in advertising. However, before the Congress today there is a bill which would prohibit the utilities of the Nation from continuing to advertise their services to the public.

We feel this is a very clear and serious infringement on their right of free speech to communicate with their customers and potential customers, If a bill of this sort did reach your desk, what would your position be?

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THE PRESIDENT: I am often asked that question by Members of Congress as they go down the line in the legislative process. I don't think I should treat you any differently from them. (Laughter)

My answer to them is, I will give you an answer to that legislation when it is placed on my desk because there is a long, hard row between the introduction of a bill and its consideration by a committee, its consideration on the floor of the House and Senate, et cetera.

Often times, about all that is left in a bill is its original number. (Laughter) So, I learned a long time ago never to endorse or say you will vote against or veto a bill just by number. I got caught in that the first year or two I was in Congress.

What I am saying is, basically, I don't think there should be any prohibition against people or organizations exercising their right of free speech, and that is a very fundamental issue in this country, and it ought to be true of individuals or cooperatives or partnerships or any other organization, but I don't think I ought to say to you I am going to veto that bill, not having read it and including the fine print, which is often most important.

QUESTION: Thank you, Mr. President.

THE PRESIDENT: Bill just reminded me, one, I am taking too long to answer the questions and, therefore, we ought to cut it off, but as far as I am concerned, we will finish, so go ahead.

QUESTION: Mr. President, my name is Arthur Stoup. I am the President of the Missouri Bar.

The Bar is noted with growing distress the incursion of the Federal bureaucracy and, at times the Congress, in the matters of property rights and individual freedoms which by Constitutional intent or by custom the States have in the past determined for their citizens.

Mr. President, could not this Administration use its considerable influence in directing Federal agencies and requesting the Congress to recede from a policy of expanding the Federal role in these matters and permit the States and local communities to decide what is best and what is needed for their citizens?

THE PRESIDENT: I certainly think we should, and we are trying to do that. One of the pieces of legislation which was enacted three and a half years ago fits into that precise philosophy you are talking about very properly. It is called general revenue sharing, where roughly \$6 billion a year goes from the Federal Treasury, a third to the States and two-thirds to cities and counties, et cetera, without any strings, and that program carries out precisely what you are talking about.

MORE

The money goes from the Federal Treasury, having been taken in the first instance from the taxpayers of this country, but going back to States and local units of Government without any strings attached for the exercise of local control in the expenditure of that money.

We are trying to incorporate in many of the programs what we call block grants. Jim Lynn a year ago, when he was Secretary of HUD, got the Congress to consolidate six or seven, eight categorical grant programs into one and giving to the local community much more authority without Federal bureaucracy analyzing every individual project.

So, we are aiming in that direction. We are trying to do it, and I think we are making some headway, but with a thousand categorical grant programs, that is a tough job, and every one of them has their own little constituency. They want everybody else's program changed, but theirs is different, so it is a hard process, but we are working at it.

QUESTION: Thank you, Mr. President.

MORE

QUESTION: Mr. President, my name is Robert Cohn and I am Chairman of the Regional Forum of the East-West Gateway Coordinating Council. I have used up my time with just the title.

We are charged with the responsibility, as a group of private citizens -- 21 of us -- to go over in some detail these 1,000 categorical grant programs that operate in the St. Louis area, and we are just a group of private citizens. We find that in more cases than not we serve as a mere rubber stamp for some bureaucratic requirement or deadline.

Now in addition to this very welcome White House conference to provide meaningful citizen input, are there any other plans or programs as part of your program of cutting red tape and opening up these activities to the people, to reduce this, and to provide for meaningful and realistic citizen input on federally-funded programs?

THE PRESIDENT: I can't give you any added ones beyond this kind of approach plus what the Vice President is undertaking with his meetings in the 9 or 10 communities around the country, but it has been my observation with all of this talent from the Cabinet and top places in the Executive Branch, and most of them have been to -- three-quarters of them -- that they get the message.

The problem is to have them give the message down below and then have it carried out, but we are trying to do it and let me give you an illustration.

I made a speech, oh, several months ago, and I said there were 5,200 forms that people in toto in the United States had to fill out -- 5,200. And it sounded terrible and I said we were going to get rid of them or some of them, and Jim Lynn is in charge of that responsibility.

A year from that speech I am going to ask him how many forms we now have and it darn well better be under 5,000. (Laughter)

QUESTION: Thank you.

QUESTION: Mr. President, Jim Cope, from the Missouri State Medical Association.

The children born during World War II baby boom will go on Social Security in about 2000 to 2025. Children from our present near zero population growth will hit the labor force at about the same time. It has been estimated that there will be three or four people going on to the Social Security roles for each one entering the labor force.

Please, sir, could we have your comments, and what are the long-term plans for meeting this situation?

THE PRESIDENT: There have been several recent studies on the adequacy of the trust fund, the payment schedule to meet the obligations under Social Security. The picture is not encouraging, to be frank with you. There are a number of suggested ways to make certain, to make positive that the beneficiaries down the road are guaranteed enough or are guaranteed what they were led to believe they would get.

Some alternatives are just to take any deficiency out of the general fund. Others recommend that the present withholding of both the employer and the employee be increased. What is it now? About 11 percent for both employer and employee.

One proposal is to increase both contributions. Others say don't worry about it, it is not as bad as the actuaries or the experts tell you, and don't do it for political reasons one way or another.

I think maybe we can get by a year or two, but in a relatively short period of time more is going out than coming in of the trust fund and we have roughly a year's funding available. Unfortunately, they are all in Government bonds so the Government will have to cash in those bonds to pay these people and then go out and borrow more money to finance the Federal Government.

But it is a problem and we have got to face up to it. The best estimate I have seen is that by the year 2000 if we don't do something we will be in a serious deficit with no reserve, and not enough to pay the beneficiaries. So we have either got to get it out of the general fund, increase the wage limit, or we have got to increase the taxes or we have got to put a cap on the benefits. The benefits today are escalated on a cost-of-living basis and they are putting the sanctity of that trust fund in some jeopardy down the road not too far away.

As long as we are talking about caps, I recommended that we put a cap this year of five percent on Federal Government pay, on Federal retirement, Social Security, the whole range of things in order to get away from the budget deficit I described a few minutes ago. The present law says that every September I am supposed to recommend a cost-of-living increase for Federal pay. Well, the cost-of-living increase by this commission was 8.66 percent and by a new law passed just a month ago, Congress and judges and people in the Executive Branch were included.

MORE

I had the temerity to recommend that that 8.66 percent be five percent rather than the higher figure. I am led to believe that my efforts to keep that difference which amounts to \$1 billion 600 million -- just \$1 billion 600 million -- will be overridden by either the House or the Senate. I hope you write your Congressmen and your Senators and tell them to stand firm and tough. This is just indicative of the kind of problems we are in -- in a financial bind, at the present time.

QUESTION: Thank you, sir.

THE PRESIDENT: Yes?

QUESTION: Mr. President, Earl Dille, President of Associated Industries of Missouri, and I would like your position on the issue of the legalization of common situs picketing at construction projects.

THE PRESIDENT: I believe that the legislation originally introduced should be vetoed. I believe that there are amendments that have been added, that will be added, if they are added to force local union responsibility, then the legislation ought to be approved.

I know the arguments that the building trades have gotten wage hikes of too high or too great an amount, and the people say, "Don't change the law."

My answer to that is they have gotten them under the present law. If they are inflationary, they came under the present circumstances. What we are trying to do with the amendments that we have advocated is to get some responsibility at the local level and if they don't achieve local responsibility the international unions have the right to veto it. I think that is a better way to achieve wage stability in the construction field and if those amendments are approved, I will support it; if they are not approved, I will veto it.

QUESTION: Thank you, sir.

QUESTION: Mr. President, I am Bill Parrish, Chairman of the Missouri American Revolution Bicentennial Commission.

One of the hopes of the Bicentennial is to revivify the positive aspects of American life so that the celebration becomes a catalyst to a rededication of the American people to work together to build a better future. We are finding a great enthusiasm for this throughout Missouri.

MORE

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MORE

MORE

You talked just briefly about this in relation to the crime situation, but I wonder if you could give us a little more elaboration on how you think we can better focus in on this problem through the Bicentennial to get a better grip on moving forward with America.

THE PRESIDENT: I believe our theme for the Bicentennial should be the rights of the individual operating within the law. I think the individual in the third century of our country should be free of mass education, mass industry, mass government. I think the right of the individual operating within the law without the heavy hand of government or any of the other massive organizations running it, if we can achieve that, I think it will accomplish what you are seeking to accomplish.

QUESTION: Thank you, Mr. President.

MORE

QUESTION: Mr. President I am Homer Elisha Sayad of the Arts and Educational Council of St. Louis.

St. Louis has one of the most successful arts council in the country. In 13 years it has raised over \$14 million in private funds for the benefit of our cultural organizations. The National Endowment for the Arts, under its very able Chairman Nancy Hanks, has done much to stimulate the support toward the arts from the private sector.

The arts are not a luxury, as some may think. They are a softening and humanizing factor and a very essential quality to our life.

Is your Administration committed to the continued growth and development of Federal support of the arts to the National Endowment, and will you oppose tax measures which would tend to discourage and inhibit private contributions for the arts?

THE PRESIDENT: It is my recollection that in the budget I submitted in January the arts and humanities program was one of the very few that got an increase. The particular one you refer to, the arts, I recommended approximately \$85 billion, about a 10 percent increase over the previous fiscal year.

The arts for the public, it is my recollection our deductions are appropriate under our Internal Revenue Code at the present time. I think that is accurate. So, I am not going to recommend it be deleted.

Then let me say there has been some criticism that we didn't have in the White House now an input in the arts and humanities. Well, I have got a pretty good one in our family, and she is a lot more influential on me in this area than any appointed person. I am married to her, and she does pretty well by it. (Laughter)

Thank you very much.

END (AT 5:07 P.M. CDT)

EMBARGOED FOR RELEASE  
UNTIL 3:00 P.M. PDT (6:00 P.M. EDT)

SEPTEMBER 20, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Los Angeles, California)

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THE WHITE HOUSE

INTERVIEW WITH THE PRESIDENT  
BY  
BOB ABERNETHY  
JESS MARLOW  
WARREN OLNEY  
KNBC-TV

P 8-9

CENTURY PLAZA HOTEL

8:57 A.M. PDT

QUESTION: Good evening and welcome. I am Bob Abernethy, KNBC News. To question the President are KNBC news reporters Jess Marlow and Warren Olney.

Mr. President, welcome.

A prominent California Republican said the other day that he thinks it would be healthy for the Republican Party if Ronald Reagan were to try to get the GOP nomination for the Presidency. Do you agree with that?

THE PRESIDENT: I don't see any serious problems in that regard. I have always thought that competition in the political arena was healthy for the candidates and for the Party. I certainly feel that former Governor Reagan and myself are close enough personal friends that we can have any competition without having a divisive impact on the Party. So competition being good for candidates and the Party, I think, under our system, I see no serious harm in that regard.

QUESTION: More and more people are saying they think it is inevitable that Governor Reagan will run. Do you share that view?

THE PRESIDENT. I really should not pass judgment on what he will or won't do, so since that is a judgment on his part, I think we ought to wait and see.

QUESTION: Mr. President, you suggest the competition would be healthy. Indeed are we not seeing some of that competition right now with your concentrated schedule in California?

MORE

(OVER)

THE PRESIDENT: My efforts here, as part of the responsibility as President that I have to talk to groups in the education field, the labor field and other areas and I also feel it is a part of my responsibility on this trip to help the party per se, to help get the party strengthened in the responsibility it has for organization as well as fund raising. There is nothing in this trip that relates to my candidacy as such.

QUESTION: Mr. President, is there any question in your mind that if you went head-to-head in the primary in New Hampshire, Florida and other places, that you could beat him?

THE PRESIDENT: I don't like to forecast what I will do in the political race, I am confident the policies we have for the country, the policies that we are trying to implement domestically and foreign policy-wise put us in a pretty good position against any competition within and without the party.

QUESTION: In the event Governor Reagan should defeat you in New Hampshire and Florida, how serious a blow would that be to your efforts to get the nomination?

THE PRESIDENT: I don't speculate about defeat, I look at it affirmatively that we will do well in any of the primaries, whether New Hampshire, Florida or otherwise, just as I feel the policies we are trying to implement for the country will be favorable and, therefore, we don't analyze what will happen if we don't do well.

QUESTION: How do you see the result of the Senatorial race in New Hampshire? A lot of people will say it was a rebuke to your policies.

THE PRESIDENT: I don't feel it was necessarily. The opposition was extremely well-organized up there. They got out roughly 30,000 more votes for Durkin than they got in 1974 in November. Strangely enough, Louis Wyman got about three or four thousand more votes than he got in November, so it was really an organizational effort rather than the ideology of the Administration being repudiated.

QUESTION: Both you and Governor Reagan campaigned there, though. That is about as heavy an artillery as your party could have brought in.

THE PRESIDENT: Yes, and I got a very favorable response from the people of New Hampshire, for which I am very grateful. I don't think that response, or the result really entered into that election as such and the technical adviser to the Democratic Party, Dick Scanlon, discounted any impact on a national level from that particular election.

MORE

QUESTION: Mr. President, one more Reagan question. Your friend, indeed your host for part of this weekend, the U.N. Ambassador to Belgium, has said he doesn't think Ronald Reagan is qualified to be President. What do you think? Is he qualified?

THE PRESIDENT: I don't think I ought to pass judgment on that. He was a very good Governor for the State of California, and I don't think I should enter into those discussions.

QUESTION: Mr. President, you expressed confidence that your policies would get you past any primary competition, indeed in the general election, too, and you particularly noted foreign policy.

I would like to ask you a couple of questions about foreign policy, particularly about the recent Middle East agreements.

First of all, is there an agreement to supply Pershing missiles to Israel?

THE PRESIDENT: The documents carefully spell out that we will study with Israel their request for Pershing missiles. It is carefully phrased, and it goes only to the commitment to study the need and necessity for Pershing missiles for Israel.

QUESTION: Senator Howard Baker said here yesterday he believes -- and he emphasized it is only his belief -- that Israel has nuclear weapons now. Could you comment on that?

THE PRESIDENT: I do not know categorically whether they do or do not. Therefore, I don't think I should speculate.

QUESTION: Another missile question. The Hawk missile for Jordan, did you insist that we be assured that those could only be used defensively?

THE PRESIDENT: Certainly, the intent is that those Hawk missiles should be used for defense purposes. It is important for Jordan to have that defensive capability and the intent -- and I think the agreement itself -- is aimed at that direction.

QUESTION: Did Jordan regard it as an insult that we suggested it only be defensive? Is that the only business that was made public?

MORE

THE PRESIDENT: It is a very technical dispute, and it is my opinion that those differences have been resolved -- and I think constructively so -- for the Middle East as a whole.

QUESTION: Mr. President, another concern regarding the Middle East is those 200 American civilians who may go into the Sinai, concern that they may become targets or hostages and that may cause us to make a larger movement of men.

Can you promise that if 200 civilians are sent to the Sinai now more Americans will not have to go in the future?

THE PRESIDENT: There is certainly no intention that that technical contribution be enlarged. I see no reason why it should. As a matter of fact, it is fully understood by the parties that it will not be enlarged.

To compare that to the situation in Vietnam is not an accurate comparison. In Vietnam, there were two parties at war, and the American initial contribution back in 1961 was at the request of one party and in opposition to the other party.

In this case, both Israel and Egypt requested our contribution, so it is a totally different situation and there is no intent on our part to enlarge it. There is no request by either party to enlarge it. So, I see no possibility of that happening.

QUESTION: Supposing there was some kind of an attack on those people by the Palestinian Liberation Organization? What would this country's response be?

THE PRESIDENT: Of course, our effort would be to bring those American technicians out of the area in case of any forecast of trouble arising in the area. They are there, will be there, in the U.N. buffer zone along with the 7,000 or 8,000 U.N. forces, and I think they are thoroughly protected.

I think it is an area, in my opinion, at least, that it is safe for those Americans. I think it is well to point out that we have now, I think it is, 15 or 20 Americans there with the U.N. forces at the present time.

So, this is a very technical contribution in a protected area, the U.N. buffer zone. So, I don't think that problem is going to arise.

MORE

QUESTION: Mr. President, the Congressional Budget Office reported this week if the Federal Government would increase the deficit by another \$25 billion, would put a million people back to work who wouldn't otherwise be put back to work, by the end of 1977, with a very tiny increase in inflation. If that is true, why don't you do it?

THE PRESIDENT: An extra \$25 billion to a \$61 billion deficit would have serious ramifications.

QUESTION: Is that study wrong, that Congressional Budget Office study wrong?

THE PRESIDENT: I respectfully disagree. I think there is a better way of approaching the problem. Of course, their recommendations came out prior to the announcement on Friday that we have made very significant progress in the battle against inflation, and I think it is important to point out that in the last eight months the cost of living has gone up 4.8 percent on an annual basis compared to a figure for the previous comparable period of an inflation rate of 8.3 or 8.4, so the Congressional Budget recommendation for a \$25 billion increase in the deficit, taking it up to \$85 or \$86 billion is the wrong approach, predicated on the facts that were revealed by the Department of Labor on Friday.

QUESTION: The Governor of California, among others, thinks that the growing costs of energy and raw materials, demands from the poor nations for more of what we have, all this means that our days of significant economic growth are over.

Do you agree?

THE PRESIDENT: I am an optimist, and I respectfully disagree with the Governor that we should predicate our future on a less well-off society than we have had in the past. We will have certain periods of time where we will pay more for energy or there will be some energy scarcity, but it doesn't mean that the United States should expect a period of dismal progress.

I think the United States, if we adopt the right policy, can expect continued growth in a substantial and constructive way. If we approach it from the pessimistic point of view, I think we are adopting the wrong attitude.

MORE

QUESTION: You say if we adopt the right policies. Does that suggest that we have not yet adopted it?

THE PRESIDENT: Let's take the energy problem. If the Congress doesn't act for a constructive approach to the energy problem, yes, we will have difficulty. We have been prodding the Congress, pushing the Congress, cooperating with the Congress, and yet they have done literally nothing.

Fortunately, we may be coming out of it on the right side, even if the Congress doesn't do something, but I would rather do it on a phased decontrol basis rather than an abrupt end of controls.

QUESTION: Congressman Roybal said yesterday that he did not think you had cooperated sufficiently or compromised, I think is the way he put it.

THE PRESIDENT: Let me just cite some figures that I did yesterday in Oklahoma. Since January, when I submitted a program, an energy program, I have personally consulted with 51 out of 100 United States Senators. I personally consulted with 305 or 310 of the 435 Members of the House of Representatives.

I have recommended two phased decontrol programs. They have rejected both of them. I have gone more than halfway, and I regret -- and I think it is unfortunate -- that the Congress has not responded.

I still think that there is a chance they could at least do something, but if they don't do something, then I think we also are in a position where we will come out of it in good shape.

MORE

QUESTION: Mr. President, in times past and in times of national problems, other Presidents have called on the American people to serve the country in various ways. It seems to me a lot of people are willing, even eager, to do the same thing now but they aren't sure exactly how. What would you like to ask the American people to do?

THE PRESIDENT: I am not pessimistic at all that the American people will not respond. As a matter of fact, as I travel around the country I find the American people are eager to cooperate. They can do it in a number of ways. The first is to impress upon their representatives in the Congress, Senators and Congressmen, that we have to move ahead, whether it is in energy, or the economy, or national security. I note a slight change in the attitude of the Congress because I think the American people are having an impact.

QUESTION: Indeed that is what you are trying to do.

THE PRESIDENT. That is exactly what we are trying to do and I note some slight improvements in the attitude of the Congress in trying to cooperate with me and I certainly am going to bend over backwards, and I think I have in that area.

QUESTION: During the past week we have heard that the intelligence apparatus in this country deliberately defied the press, the people and the Congress about the size of the enemy during the TET offensive in the Vietnam War. What do you think about those remarks that were made and how do you feel as a former member of Congress about having been intentionally defied?

THE PRESIDENT: If it is a fact, and I think the committee ought to get others to testify who might have a different view.

QUESTION: Are you making an independent effort to find out if it is right?

THE PRESIDENT: That is one person's testimony, a former employee. To get a balanced appraisal, I honestly think the committee ought to call other witnesses. And that brings up a basic decision that I have made. Under no circumstances will we in the Executive Branch hold back any more that might involve a criminal activity or a mistake that was made. As a matter of fact, I have ordered the people who have the immediate jurisdiction to make any and all information available. I think it is important that the record be laid out with this exception, we should not in the process of making this information available reveal sources of intelligence information either by individuals or by mechanical means.

Yes, if people made mistakes, the public ought to know about it. Yes, if there is any criminal activity involved, that ought to be made available and action ought to be taken. But I do not think we should just throw open our intelligence sources. That is a serious problem.

9/20/75  
Bob Abernethy  
KNBC -  
Century Plaza Hotel

QUESTION: Mr. President, public confidence is established in people and in institutions, we are told public confidence was established in you by your firm handling of the Mayaguez affair. I think we can suggest in recent days public confidence has been re-established in the FBI by the capture of Patty Hearst. What is it going to take to re-establish public confidence in the Central Intelligence Agency, or are they such a secret agency they can never boast about their victories?

THE PRESIDENT: I think your last comment is one of the problems. The committee investigations in the House and Senate, if conducted properly, can, I believe, illustrate that mistakes were made but overall some great accomplishments were achieved. I have the benefit of the Rockefeller Commission recommendations and the Murphy Commission recommendations and in a relatively short period of time I will make some administrative decisions that will improve the working operations of the intelligence community, including the CIA, and I will propose to the Congress some legislative recommendations which will likewise, in my opinion, improve our intelligence gathering communities. But you are never going to have the intelligence community where it will have the opportunity to brag about its accomplishments because it is so important that we not involve sources and, therefore, they have a tough PR problem.

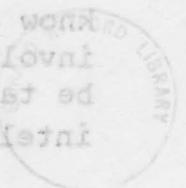
QUESTION: Mr. President, you have said that State courts in their effort to integrate the schools have ignored less drastic alternatives than busing. What specifically do you mean -- which less drastic alternatives?

THE PRESIDENT: The Congress in 1974 approved what was labeled the Esch Amendment, laid out six or seven specific guidelines for the courts to follow. The last of the recommendation to achieve what the courts should do was busing -- court ordered forced busing to achieve racial integration. Those steps, and I was in the Congress part of that time and I signed the bill that became law, those steps include a magnet school, utilization of the neighborhood school concept, the improvements of facilities, et cetera. I hope that in the future, as some course in the past, recent past, will utilize those guidelines rather than plunging into court ordered forced busing as the only option for the settlement of the segregation problem in the school.

QUESTION: The whole option to busing tends to get confused with racism and there are a lot of racial epithets and what not being thrown about on the protest line. Do you have anything to say about that? You are opposed to busing but how do you make the distinction?

MORE

MORE



THE PRESIDENT: I don't think opposition to busing really has any relationship to racism on the part of most people. I think the best illustration, one of the rising young columnists in the country, Bill Raspberry, a black, has been most forceful and most constructive, I think, in opposing the court approach in many cases.

I have been opposed to busing as a means of achieving quality education from its inception. My record in the Congress in voting for civil rights legislation is a good one, so I believe that the real issue is quality education. It can be achieved better for disadvantaged people, minorities, by other means.

I have sought, through the support of the Eschsch amendment, through adequate funding, to help Boston and other communities where this problem exists, to upgrade their school system rather than to have this very controversial approach of forced busing.

QUESTION: Do you think it will be an issue in next year's campaign?

THE PRESIDENT: I hope it won't.

QUESTION: Mr. President, during your visit here, have you made any plans to telephone or visit former President Nixon?

THE PRESIDENT: I haven't made any specific plan, no.

QUESTION: Do you intend to?

THE PRESIDENT: I may.

QUESTION: Do you see any role for him in national life in the future?

THE PRESIDENT: I think that is a judgment he has to make, and I really can't tell you whether he will or he won't, but that is a personal judgment on his part.

QUESTION: You say you may contact him. What is it that you want to say to him?

THE PRESIDENT: Well, he is an old friend, and I have known him and worked with him in the past. What has happened in the past, or recent past, I don't think should destroy a personal friendship.

MORE

QUESTION: Mr. President, there has been a minority report from your amnesty panel being very critical of Charles Goodell saying that he misinterpreted and he violated the spirit of the amnesty program in granting amnesty or seeking amnesty for felons. Would you comment on that?

THE PRESIDENT: That was a very controversial area, as I am sure you recognize.

QUESTION: Mr. President, our time is almost up.

THE PRESIDENT: I felt I had to do something, and I can understand, with the strong people on that board, that there might be controversy.

QUESTION: Mr. President, gentlemen, I am sorry, our time is now up.

Our warm thanks to the President of the United States for joining us here in Los Angeles. NewsConference will be back next Saturday at the same time when our guest will be Senator Howard Baker, Republican of Tennessee.

I am Bob Abernethy, KNBC News, with Jess Marlow and Warren Olney.

END (AT 9:28 A.M. PDT)

FOR IMMEDIATE RELEASE

AUGUST 19, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Peoria, Illinois)

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AND  
QUESTION AND ANSWER SESSION

THE PEORIA HILTON HOTEL

4:42 P.M. CDT

THE PRESIDENT: Senator Chuck Percy, Mayor Carver, members of my official Administration, Cabinet and otherwise:

It is a great privilege for me to be with all you distinguished guests, representatives of the great area here in Illinois.

Because of the emphasis on questions and answers rather than speeches, I am certain that this conference will long be remembered in the history of verbal communication.

It has been said that a dialogue is when you exchange views with a colleague and a monologue is when a politician exchanges views with you. (Laughter)

Today, I think we have taken a moderate-size step in the direction of eliminating that monologue. So, I come to Peoria, not just to be heard, but to look, listen and learn.

As a starter, I would like to tell you about the goals and plans of the Administration, and I also want you -- I emphasize you -- people of Peoria and Illinois to tell me some of your feelings and some of your deep concerns about the vital issues facing us as a Nation.

One thing very certain -- we have plenty to discuss.

I have been President for only a year, but what a year it has been. Even though most of us would not like to go through it again, I think we have had more plusses than minuses.

MORE

(OVER)

There have been some difficulties, some reverses, in this 12-month span, but America has weathered the storm both in foreign and domestic affairs.

Once again--and this is the most important thing--the American system, the Government, the people, have met the test.

Consider for a moment this economy. Since March of this year, total employment has risen by 1.2 million, industry production by 1 percent, personal income by 4 percent and retail sales by 8.8 percent.

Not only our economy, but our political system, has demonstrated anew the strength and the resilience that has made us the freest, as well as the strongest, and wealthiest, Nation in the world.

Where it counts, America has not and will not ever be satisfied with second place.

Don't misunderstand me. I am not saying that our troubles are over, that we have reached the promised land, but we have a darned good vehicle to get us through to that promised land, and it is called the free enterprise system.

MORE

The job of all Americans is to help put that vehicle into high gear. Although most of the evidence that we see so far points to a healthy economic recovery, we cannot afford to take that recovery for granted at this stage of the ball game.

There are plenty of problems left that require our prompt and concerned attention.

Take for a minute inflation. The last figures show an annual rate increase for June of just over 9 percent in the cost of living, and over 15 percent for July in the Wholesale Price Index.

I think this should serve as a warning that with the worst of the recession behind us, we must guard against -- guard against vigorously -- the kinds of excessive new Federal spending that could trigger another protracted round of double-digit inflation.

For my part, I pledge to you I will do all that I can to hold the line against inflationary Federal spending.

I cannot stop a runaway Congress from voting appropriations that fan the flames of inflation, but I can and I will continue to use my veto authority to curb the inflationary spending excesses of the Majority of the Congress.

There has to be, in fact, there must be enough good women in both political parties in the Congress who will ban together to sustain my vetoes in the public interest.

Remember -- and I think this is what we often forget -- inflation does not recognize party labels. When the cost of living zooms upwards, we all pay the price, especially the old, the poor, jobless and those on fixed incomes, be they Democrats or Republicans, Independents or dropouts. The burden is shared by everybody.

Inflation is a common enemy, and we must fight it with a common front.

And so each time I use the veto to battle inflation, I am taking, I think, a positive, not negative step. The vetoes that I have exercised so far will save you -- the public as a whole in this country, the American taxpayer -- an estimated \$6 billion by 1977 in tax payments or loss of purchasing power through inflation.

We are talking about preserving your purchasing power and the value of your paycheck, your pension, your social security check and especially your savings.

MORE

We are talking about your future economic stability. Now, I am well aware of the fact that some people do not accept this argument. I respect their view, and I respectfully disagree. They say, for example, that no inflationary price tag exists on massive Government spending, but in my considered judgment, they are wrong.

In their view, the solution to all of our ills is for Government to spend more of your money and for Government to regulate more of your lives. Unfortunately, their argument for bigger Government and bigger Government spending has been accepted all too often in the post-war years. The result has been a growing and unwarranted trend toward Federal interference--interference in the free enterprise system, interference in State and local Governments and as we are now beginning to discover, interference in our personal lives.

This trend must be reversed, and it will be if we have anything to say about it. Despite all the obstacles that well-meaning Government has put in the way, the American system and the American worker continue to provide us with the living standard that is the envy of the entire world.

I do not think you have to look any further than Peoria for proof of what I am saying. Thanks to productive, competitive industry and skilled, willing workers the Peoria area turns out industrial goods that sell not only coast to coast, but all around the globe.

And one blessed result of this productiveness is that you have an unemployment rate well under the national average. That is a fine record, one to be proud of and you have achieved it in spite of, not because of big Government.

Let me give you just one example, if I might, before we get to the questions and answers. I understand there is a serious local concern in this area about the possibility of future natural gas shortages.

Now, if this is the case, we ought to ask ourselves what is the reason. Is it because we do not have enough known sources of natural gas? No, for the present, at least, there is enough to meet all our needs. The problem is not one of supply, it is one of regulation--obsolete Federal regulation that may cost this part of Illinois and other regions of America, in fact, ten States, to be frank with you, it will cost jobs, and it will cost economic growth.

The basic problem is just this: for 20 years now the Federal Power Commission has been required by law to set artificially low prices at the wellhead for natural gas sold in interstate markets. The result has been that gas producers sell as much of their products as they can inside their respective State borders at free market prices, creating shortages in non-producing States of the Union, in communities like Peoria, and communities like Peoria have and may well suffer.

Believe me, this is not the first time I have said this, and I say it every time with greater feeling and determination. I said it as Vice President and I have said it repeatedly as President. I have consistently urged the Congress to deregulate natural gas to expand its supply nationwide.

It is amazing, when you talk to Congressional Members from Texas or Louisiana or Oklahoma where they have these abundant supplies of natural gas, but where they are not going to ship it across state lines to Illinois, Michigan, Indiana or any place else, they say we are going to keep it, and then we will get our factories and our jobs down in our State where we can sell this natural gas at whatever price we decide.

It is unbelievable to me that the Congress has not responded in this area so that we, in your area, or we, in any part of the country or elsewhere, cannot get this great natural resource so we can have more productivity, more jobs and a better country.

But as I said, the Congress has done nothing, even though common sense says it must be done and public opinion recently show a growing popular support for deregulation.

Further delay is intolerable. Even if the Congress should act this session, it will still be one or more winters before we could feel the beneficial results of that action.

I am delighted to be here. I just had a wonderful experience over in Pekin -- the dedication of the Everett Dirksen Research Center. I am delighted to hear from all of you, to urge each of you to make your voice heard for the kinds of free and prosperous America we all want and believe in.

Freedom, in my judgment, is more than a word. It is a way of life, a vital living thing, and each generation must strengthen and renew it or it will surely perish, as we have seen all too often elsewhere in the world.

The time is now for our generation to keep this idea alive. We must make sure that our first 200 years as a free people, glorious as they have been, will only be the beginning of the American success story.

Together let us prove to the entire world that the American dream is best realized when we are wide awake.

Thank you very much, and let's go to the questions.

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QUESTION: Mr. President, I am Bill Wombacher, a Peoria lawyer, interested in the energy field and Chairman of the Peoria Area Chamber of Commerce.

I would like to ask you what priorities, if any, has the White House set in resolving the seemingly irreconcilable differences in goals of the Federal Energy Administration and the Environmental Protection Agency.  
(Laughter)

THE PRESIDENT: I could take quite a bit of time answering that, but what we have tried to do is to get Russ Train and Frank Zarb to sit down and work together to make some reason and rationale out of the sometimes conflicting interests of a great need for additional energy and still the great desire to protect our environment.

I recall very vividly some discussions we had in December about what the auto emission standards should be. We worked it out, and I want to compliment both Frank and Russ for doing it.

Of course, we subsequently had a report that put a different light on the situation, but what I am trying to illustrate is that we have people in this Administration who have positions of responsibility who are willing to sit down and talk with those who have potentially conflicting interests.

Although I think in most cases we have come out with a good answer, I admit there are some areas where we are still in some disagreement. But, I know that we can have a responsible energy program and still not destroy our environment, and that is our objective.

QUESTION: Mr. President, Stanley Johnson, President of the Illinois State AFL-CIO.

Labor was critical of the Administration, which you had to take over sometime ago in the crisis of Government. We commend and appreciate your low-key approach to that particular crisis.

Labor, as you know, was quite critical of the national direction of governmental policy in the previous Administration. What disturbs us again is probably some of the same advisers are still in your Administration.

These advisers may have caused you to veto several measures. At this point, we also have to respectfully disagree with your vetoes. The recent study of the Library of Congress indicated some of those measures would have added some 638,000 jobs, the bulk of which would have been in the housing and building industry.

MORE

As you know, that industry is a good bellwether of our total economy.

Therefore, Mr. President, our question is how can we tell the jobless, who are not interested in theory, that they must continue to bear the heaviest cost of a projected economic turnaround, which may not help them very soon?

THE PRESIDENT: Sir, I think you have to look back at what the circumstances were in August of 1974. At that time, we had inflation of 12 to 14 percent. I admit at that time we had 5 percent unemployed. But, that high inflation rate was hurting everybody, those employed and those unemployed.

If we hadn't done something to try and check inflation, I am convinced we would be still in a disastrous recession.

We have had a tough time. We have had to take some stern measures. But, the net result is we made substantial progress against inflation. The most encouraging thing is -- and this is what I would tell the unemployed -- I would tell them that in the last two or three months the number of gainfully employed has gone up over a million and that the prospects are that we will continue to add to the total number of employed and that although the rate of unemployment may be higher than we want -- and obviously it is -- we will do it while we are able at the same time to continue to squeeze the inflationary impact out of our society.

Now, some of these decisions, I am sure you recognize, are not easy. Let's take the housing one that you spoke of.

We recommended a housing bill. We proposed that some additional stimulant be given to the housing industry, but unfortunately, the Congress added a lot of extras that would have had a substantial adverse impact on our deficit.

It is big enough now. Sixty billion dollars isn't a bad deficit by any standards and, if we had let that housing legislation through, it would have added significantly to it.

I vetoed the bill, not because I didn't want a housing bill, but I didn't want a bad housing bill. The Congress reconsidered, took some time, analyzed the arguments that we presented and they passed another housing bill. That housing bill we are using and implementing.

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In fact, I asked the Congress just before they recessed for a vacation to appropriate an additional \$5 billion for what we call the tandem plan to stimulate housing.

I can't say that what we have done is the reason we had an announcement yesterday that there was a 14 percent increase in housing starts over the previous month.

Housing is beginning to go, and that is going to end the unemployment in the construction trades where there has been a very heavy and a very substantial unemployment rate.

But, you can't turn a spigot and get all these things done overnight. It takes time, and a narrow path, a very narrow position to win the battle against inflation, construct a strong economy and reduce unemployment and provide jobs.

We are doing the best we can.

Thank you.

MORE

QUESTION: Mr. President, I am John Feretl, President of the Illinois Press Association. Our member newspapers are very much dependent upon the mail service, especially the second-class mails.

We fear that the posture taken by the Postal Service since reorganization will result in disaster to the free flow of information. We are, however, encouraged by the provisions of House Bill 8603, which re-establishes the concept that the mails are a public service and that the cultural, educational and informational values of the mails must be considered in setting rates for all classes of mails.

Mr. President, do you support this public service concept, and can we count on your support for House Bill 8603? (Laughter)

THE PRESIDENT: I support the concept of public service for the Postal Service. I support the concept. When I was in the Congress, we voted to move the Post Office Department to the Postal Service, and we set up a ten-year -- or five year span, as I recollect -- for the transition from a non-self-supporting Postal Department to a self-supporting Postal Service.

In the interim, the Congress, at the recommendation of the President, would recommend about, as I recall, \$400 million a year for this public service.

Now the second and third class mail users came in -- I think it was last year -- and asked for an extension from the five-year transition period to the ten-year transition period. And as I recall, I approved that bill. I know I voted for it.

So we have been understanding of your problem, and Congress this year is being asked to recommend, as I recall, roughly about \$900 million to give public service support to the Postal Service. And part of this has come because we have extended the time span from five to ten years.

I believe in the public service concept, but I cannot in good conscience, without reading the fine print, endorse that bill you are talking about.

Thank you.

QUESTION: Mr. President, my name is John Gwynn, the local and State President of NAACP. My concern is the endorsement of the Federal laws as they exist, as they relate to race relations. Since race relations remain the single overriding issue in America, and since we have laws dating back to the Fourteenth Amendment, the 1954 Supreme Court decision, the 1964 Civil Rights Act -- these are some of the laws that exist, with the others -- we are asking, Mr. President, what are you going to do to make sure these laws are enforced with all deliberate speed? Again, I would like to state that we feel that race relations is being pushed under the rug.

8/19/75  
Pearl Hilton Hotel

THE PRESIDENT: Let me say, in the first place, I just appointed an outstanding person in Lowell Perry to be the head of the OEE -- Equal Employment Opportunity Administration (Commission).

Lowell Perry is a first-class person to do that job, and I can assure you that in that position, Lowell Perry will make certain that the rights of blacks and other minorities are fully protected.

Let me give you another illustration. I respectfully disagree with your view that race relations are being pushed under the rug by this Administration.

I recommended the extension of the existing voting rights legislation, and my Administration pushed, in the House as well as in the Senate, to get that re-enacted.

Chuck Percy, sitting here, knows very well how delicate that situation became at the very last minute, and I think this Administration played a considerable part -- I believe a major part -- in making that legislation for seven more years.

In addition, I think in any other area the employment of minorities in the Federal Government, not only the employment, but the advancement of minorities in positions of responsibility has been recognized and carried out by this Administration.

And I pledge to you that that will be our position in the future.

QUESTION: What about the integration of schools?

THE PRESIDENT: Let me be very frank here. I do not think that forced busing to achieve racial balance is the proper way to get quality education.

The principal objective is to get quality education for all our young people. I think there must be a better way to do it than the way some advocate.

Now, we will carry out whatever the law is and however the courts interpret it. Don't get me wrong. But it is my personal conviction and has been for 10 or 15 years that there is a better way to get quality education for all of our young people than the way some advocate.

MORE

QUESTION: Mr. President, Martin G. Abegg, President of Bradley University.

As President of an independent university, may I convey a concern that all of us in higher education have for a potentially serious threat to the charitable deduction, which is now being considered by Members of the U.S. Congress.

The proposals which are being considered strike at the heart of American private philanthropy and threaten serious damage to our traditional dual system of public and private higher education, which that philanthropy has helped to sustain.

I would appreciate any comments about this proposal.

THE PRESIDENT: It is very interesting. Just last week in Vail, Colorado, where I am having a working vacation, I met with seven or eight of the top people of the Aspen Institute, and in that group were two or three who are equally concerned and to some extent represent the private colleges in the country, or at least their viewpoint.

The real problem you face today comes from the 1969 Internal Revenue Act that was passed. In 1969, a limitation was put on foundations. It made it more difficult for private colleges to be the beneficiaries of generous citizens or generous groups.

At the present time, there are some additional amendments before the House Committee on Ways and Means that would, in a more harmful way, jeopardize the existence of private colleges because it would be more difficult under the proposed laws for people to give to these nonpublic institutions.

I can assure you that I don't approve of those proposed amendments. To the extent that we can keep the Congress from doing it, my Administration will do so.

QUESTION: Thank you very much.

THE PRESIDENT: If I might add, I happen to think that the public school systems, whether they are primary, secondary or higher education, are made better when they have got competition from nonpublic schools.

Whether it is college, higher education, elementary or secondary, we want a competitive education system in this country.

It is good for everybody.

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QUESTION: Mr. President, I am H. D. Altorfer, Chairman of the Central Illinois Industrial Association.

In a speech in Washington last June 17, you stated that it was your determined intention to review every single Government action in light of what it will do to free competition and individual liberty.

This review is to apply across the board to corporations that seek special monopolistic advantages, as well as to radical social theories.

This intent is to be commended, but as a relatively small businessman, it seemed to me the monopolistic advantages of the large national labor unions, and in some instances the cooperatives, should also be reviewed in light of what they are doing to free competition and individual liberty.

Will you include these in your review, also?

THE PRESIDENT: I was referring in that speech primarily to the activities of the Federal Government in regulation and control. I was not referring to the private sector, so to speak.

On the other hand, under existing anti-trust legislation -- I emphasize under existing anti-trust legislation -- the Department of Justice has a mandate, and has had for a long period of time, to proceed against monopoly as so described in those laws.

The Attorney General, who comes from this area of the country, will carry out that responsibility.

We have taken no action. I don't see the connection at this time between the kind of monopoly we were attacking, the monopoly of the Federal Government, and in the question that you raise.

There is a distinction and a difference between national labor organizations and some governmental operations. I happen to think that labor organizations can play a proper and do play a very important role. I don't condone, however, let me be sure, some of the actions of individual locals or even in some cases my friends' actions by the national AFL-CIO.

We have no plans at this time for any legislation along the lines you are suggesting.

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QUESTION: Mr. President, my name is Eldon E. Witt. I am the Executive Secretary of the Illinois Association FAA.

In Illinois we are proud of the progress that vocational education has made, and I must admit that some of us registered some disappointment with the veto of 5901.

Now, my question is this --

THE PRESIDENT: 5901 -- I don't remember the numbers of all of these, the names of all of these. What is 5901?

QUESTION: This is a bill, a vocational education funding appropriation.

I am asking now, are you aware of the language of House Bill 17304, which is a new vocational education bill getting us away from this continuing resolution, and is vocational education a high enough priority at the national level to warrant support of this bill? (Laughter)

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THE PRESIDENT: Until I have read the language of the bill -- and I normally only read the language of the proposed laws that come down to me -- I cannot make any honest, in conscience, make any commitment.

I can tell you this, however, that I think the record of this Administration in supporting education, including vocational education, is a good one.

As a matter of fact, in the education recommendations in the budget for fiscal 1976, which is the year that began this July, there is a considerable amount more in funding recommended than in the previous fiscal year.

I am concerned about education, but in the multitude of requests for money that come from a tremendous number of good causes, and the availability of our country's resources and taxes, or in borrowing, somebody -- and unfortunately in my case it is me -- I have to somehow weave in the proper relationship and the proper priorities.

But I can tell you from my own personal history in the Congress and otherwise, we will do as well as we possibly can for vocational education.

QUESTION: Thank you.

THE PRESIDENT: Won't you all sit down just a minute? They have asked me to sum up with another minute or two.

I thank you, and I think it is obvious to you I have enjoyed this stimulating and informative session. I have tried to gather that these are two-way conferences, two-fold, is one way to put it, two-way communication another.

We came to Peoria to listen as well as to speak, and judging by that standard, I believe the conference has been a success.

It is my strong and very deep conviction that to do its job well, the Government must be tuned, tuned into the people it serves. It must be open, it must be responsive as it maintains a two-way conversation with citizens from all walks of life.

Today you have heard about agriculture from Earl, about the economy from John Dunlop -- John Dunlop and Bill Seidman -- and about energy from Frank Zarb, about education from Commissioner Bell and about the environment from Russ Train.

I know they have tried to give each and every one of you an idea about what this Administration's goals are and where we are heading in our efforts -- and I say most sincerely -- in our efforts to develop some new direction while strengthening the basic free enterprise system and the values which make America great.

But just as importantly, we have also heard from you, from the men and women representing nearly every facet of life in the Peoria area. And I thank all of you -- labor, business, industry, education, farming, the minority community, women's groups, the press and the legal profession -- I am grateful that you participated.

This is the seventh Presidential town hall meeting that I have had the privilege of attending. The more of them that I attend, the more I learn and the more optimistic I become about America's long-term future. In the people gathered here in this room, and millions of others like you around the country, we have one of the priceless natural resources that will never be depleted.

And so long as we can meet together and work together like this, in an atmosphere of candor, trust and mutual respect, there is no problem we cannot solve together.

And after all, that is what America is really all about -- people with different ideas, different approaches, from all walks of life, pulling together to make this great country a better place for all of us.

You know they did it in 1776 in Independence Hall. We, too, can do it 200 years later.

Thank you very, very much.

END

(AT 5:15 P.M. CDT)

FOR IMMEDIATE RELEASE

AUGUST 30, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(Newport, Rhode Island)

THE WHITE HOUSE

INTERVIEW OF THE PRESIDENT

BY

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EXECUTIVE NEWS DIRECTOR, WJAR-TV

SARAH WYE

CORRESPONDENT, WJAR-TV

AND

JACK CAVENAUGH

CORRESPONDENT, WJAR-TV

SHERATON-ISLANDER INN

6:00 P.M. EDT

QUESTION: We have a weekly public affairs program we at WJAR normally call a news conference.

Because of the stature of our guest, we have expanded the format and produced this special edition, which is being shared with 12 television stations throughout New England. All of you are most welcome.

Our guest is President Gerald Ford, who promised when he came into office a year ago to bring new openness and accessibility to the White House. His participation in this unusual sort of regional format indicates he is making that effort.

Mr. President, welcome.

THE PRESIDENT: Thank you. It is a pleasure to be on the program, Sarah.

QUESTION: Asking questions along with me tonight will be Jack Cavanaugh, on the WJAR-TV staff and Arthur Albert, News Director of WJAR radio and TV.

I think one of the subjects you will be hearing a lot about in this discussion in the next half hour is energy. Obviously, it is very heavy on the minds of the people throughout the country. Until Friday, we were braced for a massive increase in domestic crude oil because of your decision to veto the Congressional extension of price controls.

You have since changed your mind about decontrol, and you are suggesting perhaps a 60-day extension and gradual decontrol. What went into the decision to change your mind?

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(OVER)

THE PRESIDENT: I think first, Sarah, you have to understand that the United States, our country, has a serious energy crisis. Actually, the energy crisis in New England is more serious than it is in any other part of the country, primarily because New England is more dependent on foreign oil than any other part of the United States.

So, unless we solve the energy problem for the United States, and unless we make ourselves more free of foreign oil imports, New England is going to be in more and more trouble.

In January, I submitted to the Congress a comprehensive energy program for a ten-year period, and we made some exceptions as far as New England was concerned, recognizing the vulnerability of New England.

I had hoped that the Congress would act on a comprehensive plan, either the one I submitted or one they might put together.

Unfortunately, Congress has not acted, so after attempting to decontrol on a phased basis on two occasions--one over a 30-month period with an increase in old oil, so to speak, at a rate of about 3 percent per month--the Congress turned that down.

I made another effort of compromise and conciliation, making it a 39-month phased decontrol program. The Congress turned that down.

Under those circumstances, I had no alternative but to say unless you act, we are going to decontrol all old oil, all domestic old oil. I think at least the leadership in the Congress -- Senator Mansfield and Speaker Albert -- recognized that was not the right answer.

We had a meeting on Friday, and I said that I would hold off the veto until they could get their troops together and come up and agree to the phased program that I submitted about a month ago.

QUESTION: What you are saying is you never were in favor of intermediate and secondary control?

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THE PRESIDENT: No, I proposed two examples of phased decontrol, one a 30-month and another 39, but Congress turned both down. In order to try to avoid an abrupt end, I agreed to resubmit a 39-month phased decontrol program and, hopefully, the majority party leadership will be able to work with the Republicans in the House and get a phased program over a 39-month period.

QUESTION: Mr. President, the controls have to come off eventually but New England will have to bear the brunt of those controls because we have such problems with energy, because our economy is in such bad shape right now. What do you say to people who are unemployed here who have to bear up under this energy crisis? Or is the Federal Government going to make any kind of specific commitments to New England to help us get out of this situation?

THE PRESIDENT: Over the last three or four months I have made exceptions as far as New England is concerned. In the first imposition of the import levy, it had no effect on New England, it had an effect on the rest of the United States. When I put the second dollar on to try to prod Congress to do something, the second dollar only affected New England, I think, to 60 cents a barrel. So I tried to recognize the needs, the problems that exist in New England. As I said at the outset, New England has a greater need for a comprehensive solution to the energy problem than any other part of the United States.

So what I have tried to do is to make exceptions for New England and at the same time get the Congress moving to enact an energy program that would solve the problem not only in the short haul but the long pull. Now, in the interim while we had this unfortunate unemployment, and we do have more unemployment not only in New England but elsewhere than I certainly want, we have done a number of things. For example, we have extended the unemployment payments from 39 weeks to 65 weeks. We have broadened the coverage so that 12 million more people are covered under unemployment. I recommended, and the Congress approved, about \$450 million for the Summer Youth Program so that young people this past summer would be gainfully employed.

We have done a great deal with what they call public service employment. I recommended about \$2 billion for that program and I was talking to the Mayor of Providence today and he says it has been a very helpful program. We have also tried to expedite some public works projects. I made available a \$2 billion allocation for highway construction which has been made available in many, many States and I presume here in Rhode Island.

MORE

We have, for example, been trying to get some local projects going. I talked to the Mayor of Providence today coming down here about a \$32 million Federal building in the City of Providence. I am going to give it some personal attention. When I get back to Washington. I think that kind of project would be very helpful. So we try to push forward for an energy program, which is what we need over the long haul, we are trying to take care of individual geographical problems.

QUESTION: And yet, while we are working on it, the unemployment rate in this State here is about 16 percent, 12 percent in Massachusetts, 11 percent throughout New England. Is it possible for the Federal Government to redirect some of its major installations, relocate them, transfer them, create new ones here? After 1972 when military bases were closed in Massachusetts and Rhode Island, the economies were hurt very, very hard.

THE PRESIDENT: Of course I am deeply concerned about the unemployment problem not only in Massachusetts but the 48 other States. But we have to try to rebuild the economy from an inflation-ridden economy from a year ago to one that is solidly based so that over the next few months when we get better employment -- as we are at the present time overall -- we are not going to have a reigniting of inflation like we had a year ago.

So we will do all we can through public works, through unemployment insurance, through public service employment, summer youth employment, in order to meet the unique circumstances of a particular State. But the basic way to solve our unemployment, whether it is Rhode Island or 49 other States, is to get a healthy private sector economy. And we can do that through some tax proposals that I have recommended and some of the other legislation which we will be submitting shortly.

QUESTION: Mr. President, Andrew Brimmer, who used to be a Governor of the Federal Reserve and who is a fiscal conservative, said -- I think he disagreed with you. He said that next year, thanks to the Project Independence, your energy policy, thanks to grain sales, there will be six to seven percent inflation but he says there is no chance really that excess demand will push the inflation higher. And he says now you can do it, now you can lower interest rates, now you can provide jobs by encouraging the economy without the danger of inflation. Have you considered that and talked about that with Dr. Burns?

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THE PRESIDENT: Of course, I am sure you recognize I don't control interest rates. Those are basically controlled by several factors; one, the Federal Reserve Board.

I have talked to Mr. Arthur Burns, and we have what I think are appropriate as well as private conversations. He is cognizant of the needs of an adequate supply of money, and he is very cognizant of the problem of higher interest rates.

At the same time, I think you have to recognize that if the Federal deficit goes beyond my \$60 billion deficit -- and unfortunately, the Congress is spending more money than I think they should -- that will contribute significantly to higher interest rates and a shorter supply of money available in the private sector.

So, we have to control the Federal deficit. \$60 billion is too darned big a deficit, but the Congress is continuously pressing to make it bigger.

Now, we are going to hold the deficit as low as we can, and we are hopefully expecting cooperation, and I think we will get it from the Federal Reserve Board.

I respectfully disagree with Mr. Brimmer if he alleged that the grain sales to the Soviet Union are a significant factor in inflation. I respectfully disagree with him. Does he want us to put out that grain in storage and pay \$1 million a day in storage charges, as we did in the sixties? I don't think that is a very satisfactory answer.

QUESTION: I think he did say that energy was the main component, but following up on your answer, I have been talking to people around New England in anticipation of your visit, and I keep coming up with that old folk saying: "Democrats get us into wars, Republicans into depressions." That, of course, may be oversimplified, but previous Administrations and your Administration have chosen to fight inflation first and unemployment second.

I am just wondering when will the time come to switch so that this recovery, which seems as if it is on the horizon, will recover in a hurry rather than just stumble along?

THE PRESIDENT: I would say that the recovery is doing better, and we are coming out of it more quickly now than some people anticipated. For the fifth month in a row, as I recollect, overall indicators show that we are making headway. We are seeing higher housing starts.

MORE

We are seeing better retail sales. We are making some headway, except for the last month, in inflation, and I think that was an unusual example, and we are optimistic in the future.

One thing I would like to point out is I think it is important to talk about some affirmative things. In the last five months, we have had one million two hundred thousand more people gainfully employed in this country. We now have over 85 million people gainfully employed.

We have too many unemployed, but more and more people are being employed and the indications are that that will be a continuing trend.

So, we have to win the battle against inflation. If we let the problems of inflation reoccur, every knowledgeable economist that I have talked to says, if you went back up to 10 or 12 percent inflation, in 12 to 18 to 24 months we would be in a far worse recession than we are at the present time.

So, it is a very narrow line that we are trying to follow: To win the battle against inflation on the one hand and at the same time provide more job opportunities, and I think we are being reasonably successful.

As Jack said over here, New England, or at least Rhode Island, has some unique problems, and we are going to work on it, as I indicated.

QUESTION: Mr. President, let's return briefly to energy. We have dealt with domestic crude oil by saying the approach now is to decontrolling domestic oil prices. The OPEC countries, the oil producing countries, will be meeting to decide soon what price increases they will ask by October 1.

It is widely rumored in the oil industry that you have let it be known that an 8 percent increase in foreign oil prices would be acceptable to you. Is that true?

THE PRESIDENT: I am not familiar with that statement. A lot of statements are attributed to me. I have a pretty good memory, and I don't know where that statement came from.

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8/30/75  
Gail Albert (Arthur)  
WJAR-TV - Rhode Is.

QUESTION: What are you looking for from the oil producing countries?

THE PRESIDENT: Let me put it this way, Sarah, if the Congress had passed early this year the comprehensive energy program that I recommended, we would be in a lot better position to meet the challenge of any OPEC oil price increase. Unfortunately, nothing has been done legislatively so we are now more vulnerable today than we would have been otherwise.

I have said that, as far as I am concerned we will do everything we can to defeat any OPEC oil price increase. Unfortunately, without an energy program, we don't have many tools to do that with.

QUESTION: Mr. President, schools open very soon around the country and in New England. And in Boston and Springfield, Massachusetts that means forced busing for desegregation. You have had a position on busing before. Can you take a minute and clarify your position on busing? What is your position on busing?

THE PRESIDENT: Before I say anything about what my own personal views are, I want to say most emphatically that I, as President and all that serve with me in the Federal Government, will enforce the law, no question about that.

We will, to the extent necessary, make sure that any court order is enforced.

Now I add one thing that I hope is understood. We don't want any conflict developing in Boston or any of these other communities that have court orders forcing busing on local school systems. So I have sent up the the Attorney General, and the community relations experts -- they have four or five people up there that are working with the court, with the school boards and with parents and with others. At the same time the new Secretary of HEW, David Mathews, has sent up his top man to work with the school system. And that individual, Dr. Goldberg, has authority to spend extra Federal funds to try and improve the situation in Boston.

Now, having said the law is going to be enforced, that we are going to try and moderate and work with the people in Boston, I will give you my views on what we are trying to do.

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The basic thing that everyone is trying to do is to provide quality education. There is a difference of opinion on how you achieve quality education. My personal view is that forced busing by courts is not the way to achieve quality education. I think there is a better way.

We have had court order forced busing in a number of communities. There are studies that indicate that it has not provided quality education to the young people, which is of personal concern.

I think there is a better way to do it. In my judgment, if the courts would follow a law that was passed, I think, two years ago, maybe two and a half years ago, it said that in those areas where you have a problem in seeking desegregation, the court should follow five or six rules. Busing was the last option.

There were five other proposals that courts could have followed and I think we would have avoided a lot of this conflict. That is one way I think we could have solved this problem. The other is the utilization of Federal funds to upgrade school buildings, provide better teacher-pupil ratios, to provide better equipment, that is the way, in my opinion, we achieve what we all want, which is quality education.

I just don't think court order, forced busing, is the way to achieve quality education. I think there is a better way.

QUESTION: Mr. President, if I may follow up on that, you have come up with an alternative but it would seem that because we were afraid of inflation, you have vetoed bills for more aid to education, you have vetoed bills for more public service jobs, so are you prepared, you know, to turn around on that?

THE PRESIDENT: Arthur, let me just clarify something. The appropriation bill concerning public service employment that you say I vetoed, let me give you the history of it so the matter is clarified. I recommended \$1,900,000,000, \$450 million for summer youth employment and the remainder -- which is roughly a billion and a half -- for public service employment. The Congress loaded it up with \$3 billion in non-essential spending. Sure, I vetoed it. When the Congress saw that the veto was sustained they came back and virtually approved what I sent up there in the first place.

So we had \$2 billion in summer youth employment money and we had public service employment money.

Now, the education bill, the education bill that I submitted in January for the budget that started July 1 had more money in it for education than any other year in recent years. We increased it over previous years. Again, the Congress loaded it up with some programs that I think can't be justified if you are going to have any fiscal responsibility. I hope the Congress sustains that veto, because there is a lot of non-essential spending in it. Now, having vetoed that bill, there was nothing in there, in that proposal Congress had, to do anything more in desegregation cases than I recommended. So that is a moot issue as far as the Boston case is concerned.

MORE

QUESTION: Can I move you along to another area completely, and that is fishing, which is of some importance to the New England States. Our fishing industry is dying, and it would appear that foreign fleets, modern fleets, are perhaps wiping out fish for a long time, perhaps forever.

The Senate has passed the 200 mile limit bill, and the House probably will, too. Will you sign it?

THE PRESIDENT: If my recollection is accurate, in this session of the Congress the Senate has not acted. I think they acted last year.

QUESTION: Right.

THE PRESIDENT: The House committee has acted, and it will be on the House agenda shortly. What we are trying to do, through the Law of the Sea Conference, is to settle all of the controversies on a worldwide basis involving fishing, the 200 mile zone, et cetera.

I am for the concept of a 200 mile zone. I think it is better to settle it on a worldwide basis rather than to do it unilaterally just for the United States.

QUESTION: The problem, Mr. President, is that while we are waiting for the international treaty our fish supplies are being depleted.

THE PRESIDENT: We had the second meeting of this Law of the Sea Conference ending earlier this year.

They have a draft proposal at the present time. They are going back to negotiations early next year. It is my hope we can do it on a worldwide basis and the United States, at my direction, is going to fight for a 200 mile zone.

I think that is a better way to solve it than to do it on a unilateral basis, just the United States.

QUESTION: How long are you willing to wait?

THE PRESIDENT: We hope that the Law of the Sea Conference will be completed early next year. As I recollect, the conferees are getting together in January.

We have made a lot of progress and, if we can get it on a worldwide basis in 1976, that is far preferable to unilateral action just by the United States.

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QUESTION: One quick question for New Hampshire. New Hampshire would like to know if you are planning to come up sometime before September 16 and campaign for Louie Wyman?

THE PRESIDENT: It is my expectation that I will. We are working on a date. Louie Wyman is a very good friend of mine. I served with him in the House. I think he would make a fine Senator. I certainly expect to go up sometime between now and September 16 to help him if I can.

QUESTION: Mr. President, why can't the Northeast New England States share in the profits from the leasing of off-shore oil rights off the coast?

THE PRESIDENT: Under the legislation that we are working on -- and there are about ten different alternative proposals -- I think that the coastal areas ought to get some help.

There is a bill in the Senate. It goes, I think, further than it should. Of course, there are many inland States who say, well, this is a United States resource. Why can't we share equally with the coastal States? So, we have these competing interests.

I believe, without any question of a doubt, that coastal States ought to get a high priority, the highest priority, and then we will have to work out some formula where I think we can equitably take care of any other interests that are involved.

Mr. President, two quick ones on politics. We presume you will be back in New Hampshire next winter --

THE PRESIDENT: I am looking forward to it.

QUESTION: -- and that between now and then there will be a lot of pressure on you from the Reagan forces, some people will call them the Connally forces, to dump Mr. Rockefeller.

If it is necessary to do that to get the nomination, will you do it?

THE PRESIDENT: I wouldn't put it that way. I picked Nelson Rockefeller for Vice President because I thought he was an outstanding public servant. He has exceeded any expectations that I have had. He has done a superb job. He has been a good teammate. I don't dump good teammates.

MORE

QUESTION: Okay.

Mr. President, in 1972 when the Soviets bought 15 million tons of grain, food prices went up. Now they would like to buy 21 million tons. Will they get it all? Will they get part of it? Will food prices go up?

THE PRESIDENT: You have more information than I have. They bought about 10 million tons. There are rumors to the effect that they want to buy additional amounts.

I have indicated that we will make no more sales until we get the September crop report. All the indications are that we will have a record crop in wheat, in corn and feed grains, including soybeans.

If we get a record crop and if we can work out some fair and equitable arrangement, I think it is in the best interest of the farmer, the consumer, our relations on a worldwide basis, and best for the country, if we do make some additional sales to the Soviet Union.

QUESTION: Mr. President, I have never seen a President end so neatly. You finished up the question, and we don't have to cut you off.

Thank you. The time went awfully fast.

THE PRESIDENT: Thank you, and I enjoyed it. I thank all of you very much.

QUESTION: Thank you and good night.

END (AT 6:28 P.M. EDT)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY  
(St. Louis, Missouri)

P10-11

THE PRESIDENT: Julius, let me say at the outset I don't think I should wear or don't wear--or whether I do something or don't do something--that involves the security of the President. I feel an obligation to identify, Julius, why I am doing it involving security that much more difficult. As to my desire to meet with the people either St. Louis or in St. Louis, where I was yesterday, I feel it is important to have an opportunity to speak to their President.

THE WHITE HOUSE  
INTERVIEW OF THE PRESIDENT  
BY  
JULIUS HUNTER  
NEWS ANCHORMAN AND HOST  
ROBERT HARDY  
KMOX-RADIO ANNOUNCER  
RICHARD DUDMAN  
ST. LOUIS POST DISPATCH  
AND  
JOHN FLACK  
POLITICAL EDITOR  
ST. LOUIS GLOBE DEMOCRAT

GATEWAY TOWER BUILDING  
1:04 P.M. CDT

QUESTION: Welcome to Newsmakers. I am Julius Hunter.

My guest today is the most consistent and most recognized newsmaker in the world. President Gerald Ford is in St. Louis to attend a White House Conference on Domestic Affairs.

The Conference is billed as a town meeting, a chance for the President and the members of his Administration to exchange views with the citizens of St. Louis.

Joining me in the questioning of Mr. Ford today are Richard Dudman, Chief Washington correspondent of the St. Louis Post Dispatch; Jack Flack, Political Editor of the St. Louis Globe Democrat, and Bob Hardy, Director of Special Events for KMOX Radio.

Mr. President, welcome to St. Louis, and thank you for making this your first stop.

Our first question concerns a matter of major concern to the vast majority of Americans, and that is your personal safety. It is a frightening thought that a President of the United States would have to wear a bullet-proof vest, and we wonder whether this is going to become standard hardware, standard issue from the White House for future American Presidents and yourself.

We also wonder whether or not you feel that in the interest of national security, world security, you should modify your campaign style?

THE PRESIDENT: Julius, let me say at the outset I don't think I should discuss whether I wear or don't wear--or whether I do something or don't do something--that involves the security.

The Secret Service makes recommendations. I feel an obligation to follow their recommendations. But, to identify, Julius, what I am doing or why I am doing it, involving security, I think makes security that much more difficult.

As to my desire to meet people when I come to either St. Louis or in New Hampshire, where I was yesterday, I feel it is important for the American people to have an opportunity to see firsthand, close up, their President.

In any job, you know, there is a risk of some kind. I feel that you have to balance or weigh the risks as to my own personal security against what is a very important aspect of our political life in America.

It is helpful for me to meet with the people, shake hands with them, get their questions, and it is just as important for them to have me say hello or to answer their questions.

So, as I put the alternatives or the contending arguments on the scales, it seems to me that what is good for the country overbalances anything else.

QUESTION: We can see that your vest today matches your suit, and is quite attractive.

QUESTION: Mr. President, you seem to be doing more than just meeting the American people. You are campaigning at a breakneck speed, with the election still 14 months away. You seem to be campaigning as if it is going to happen next week.

Why are you doing that? Are you afraid of Ronald Reagan as a possible rival? I would also ask you if you think this is a wise use of your time when there are so many problems of Government bearing on you?

THE PRESIDENT: I will answer the last question first.

I work a minimum of 12 hours a day, and usually it is 14, and the odd times that I take out to come to St. Louis, to New Hampshire, do not, in any way whatsoever, interfere with the conducting of White House business by me as President.

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I have an excellent staff. They prepare the options for me to make decisions. I have ample time to read and to study, so when I come to St. Louis, or Kansas City, where I am going, or New Hampshire yesterday, it in no way whatsoever interferes with the responsibilities I have, which are the highest of being President of the United States.

Now, I don't consider coming to St. Louis a campaign effort. I didn't go to New Hampshire yesterday for myself. I went there for the purpose of trying to elect a Republican candidate for the United States Senate.

Governor Reagan had been there the night before. That was not for me, but for him, or for our party's candidate. So, any personal campaigning has been minimal. The aim and objective of coming here is to appear on this program, to attend a White House Conference, to help the Republican Party in Missouri and Kansas City. I don't consider it a personal campaign effort.

QUESTION: Mr. Dudman also asked you another question, and that is regarding Mr. Reagan and your posture of his candidacy.

THE PRESIDENT: Julius, I like competition in the political arena. Governor Reagan has not announced as a candidate yet. He has indicated either personally or through one of his representatives that he may some time in November.

Governor Reagan was a fine Governor of the State of California. Until he announces his candidacy, I am assuming that I am the only Republican candidate, and I will welcome any competition. I love it.

QUESTION: Mr. President, with the seeming inability of Government to solve the Nation's critical problems -- oil, energy, the economy, the growing Federal spending -- and the seeming preoccupation about intelligence probes and pay raises and so on, what can be done to restore confidence, believability, and credibility in Government.

THE PRESIDENT: There are a number of things that I think can be helpful. There is not any one thing that will answer the perplexing problem that you have posed.

I happen to believe that a President traveling around the country, meeting people, is one way. The alternative for a President is to sit in seclusion in the Oval Office. I don't think that adds to the credibility or improves or enhances the public impression of Washington.

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On the other hand, I think the Congress, which is an integral part of our Government, one of the three major branches, has an opportunity to also project itself, to improve its credibility by the work that it does, the answers that it gives and its efforts to meet firsthand the American people.

There are some substantive matters that have to be solved that would enhance the credibility of the Government as such. We are making slow progress, but I think constructive progress, out of the recession, Employment has gone up by about 1.5 million in the last five months, even though the unemployment statistic is still too high.

We are making headway in meeting the challenge of inflation. It is now half what it was a year ago. It is not good enough. We are going to have to do better, but as we move forward in meeting the challenge of our economy, that will enhance our Government's credibility with 214 million people.

Also, energy must be solved, and this is probably the most frustrating domestic problem that I face. Having submitted a plan, a comprehensive program to make the United States invulnerable against foreign oil cartels in January, I hate to admit it, but the Congress has done nothing affirmative either on their plan -- if they have one -- or on my plan, which I submitted.

I think the American people are frustrated in this area and our credibility as a Government is harmed. I still think we can do something here, but we have to achieve this improved credibility two ways -- by people in Government appearing to be human and by having the Government do things affirmatively.

Mr. Flack?

QUESTION: Mr. President, the latest poll shows that Nelson Rockefeller is not doing too well in the form of popularity. I wonder if you would give us some thoughts on the polls and how much faith you have in him and whether Rockefeller continues to go this way that he won't be your running mate in the next time around?

THE PRESIDENT: Of course, you recognize the final decision as for myself as the Republican candidate, and the Vice Presidential candidate will be made by the delegates to the Republican Convention.

I am, of course, interested in the polls, both personally as well as concerning any other individual for President or Vice President, but I don't think that should be the sole criteria.

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I believe that a candidate for President or Vice President must be either approved or disapproved on the job that is done. If a President does a good job, even though the immediate public opinion polls may not be favorable, I think the delegates ought to approve him, and the same for Vice President.

Now, in the case of Nelson Rockefeller, I picked him because he had done a fine job in your State. He has done far better as Vice President than I could possibly have expected. He is a hard worker. He is a good team player. He has got a vast amount of experience.

I think those attributes will be watched, and the delegates will respond to them at the Republican Convention.

So, based on performance and expectation, I would assume that the delegates would probably renominate him.

QUESTION: If I may interpret, as we so-called political experts do, that sounds sort of like an endorsement for the Vice President.

THE PRESIDENT: I certainly have to endorse the job he has done, no question about it.

QUESTION: Mr. President, in the speech to the National Baptist Convention, you promise that economic and social equality will become a reality for black Americans. That is a rather easy surface promise to make to a group that represents some 5.5 million potential votes. How do you plan to make that a reality, your promise?

THE PRESIDENT: In the first place, we are going to get the economy, as a whole, out of the recession, and we are on our way now to, I think, a substantially improved economic picture. In the process of that, the black American will also benefit, as all other Americans will.

If we look back on the last five years, Julius, we find that more blacks have gone to college, more blacks are entering better paying jobs. We are doing our utmost to improve living conditions for all disadvantaged people, including blacks.

We are seeking to enforce very vigorously the equal employment opportunity legislation. I appointed a friend of mine from Michigan, Lowell Perry, who you may or may not know, as the new Chairman of that very important commission, and they are going to do a good job.

So, through a combination of circumstances, the general improvement, plus specific actions, I believe that blacks as a whole, particularly those in the lower end of the spectrum economically, will be the beneficiaries.

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QUESTION: Mr. President, I would like to ask you a question about the Middle East. The United States, for the first time, is becoming directly involved there, and quite deeply, with the prospect of stationing technicians.

Don't you owe it to the American people in these circumstances to make public every American commitment that is being made and every detail of it that the United States has helped bring about between Israel and Egypt?

THE PRESIDENT: We have submitted all of the official documents to the two committees in the Congress -- the Senate Committee on Foreign Relations and the House Committee on International Relations -- and Secretary Kissinger has testified to those two committees and the two Armed Services committees.

We are working out arrangements to give the documents that I mentioned plus the content of any other communications between me and the heads of State of Egypt, on the one hand, and Israel on the other.

Now we have committed to give the content of those documents and those communications, but I do not think -- it has never been done in the past -- that a direct communication between a President and another head of State should be made public, as long as the content is there, the commitment is there. I think that is adequate assurance to the American people.

I would add the commitment that we have made at the request of Egypt on the one hand, and Israel on the other--they made them to us--authorizing up to 200 U.S. technicians, non-military, in a UN buffer zone. All of the details concerning that part of the agreement will be made public.

QUESTION: The exact words, though, won't be available? The sense of it will be filtered through selected Congressmen and Senators; is that not right?

THE PRESIDENT: Well, the exact words of our commitment up to but not more than 200 American technicians will be made public, no question about that.

QUESTION: I understand that, but things like level of aid that is to be given to Israel?

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THE PRESIDENT: No, I must correct the record there. There is a negotiation going on now between the United States and Israel as to the amount of the first year's aid, economic and military.

When I submit the budget request for the total foreign aid program on a worldwide basis I will submit the details of the request of economic and military aid for Israel just as I will do it in the case of Egypt but that will all come as a part of the package for the total worldwide foreign program.

QUESTION: Mr. President, it has been suggested that we use our grain for Soviet oil or for somebody's oil. You currently have someone working on that in the Soviet Union now, we are told.

THE PRESIDENT: We have a high level group of negotiators under Assistant (Under) Secretary of State Robinson in Moscow now negotiating for a long-term purchase agreement by the Soviet Union up to, say, five years for American grain and other agricultural products. We feel that a long-term agreement with minimums and maximums is in the best interests of the farmer and the country, as well as our relations with the Soviet Union.

Now there are some very preliminary discussions going on concerning grain and oil, but they have not gone beyond very preliminary discussion.

QUESTION: Have you reached some level of amounts when you talk in terms of oil? Have you set a figure or a number of barrel amount?

THE PRESIDENT: We have no specifics because these are preliminary discussions. The Soviet Union, we understand, does have a surplus of oil. We have a surplus of grain so at least we ought, in a very preliminary way, just discuss any alternatives, but we have not gone beyond that.

QUESTION: Has any kind of barter arrangement -- if the Soviet Union cannot supply the oil in exchange for grain, are you hoping that they will exert their influence over the Arabs who listen to them?

THE PRESIDENT: I think there is a better way to exercise our influence with the Arab nations and that is through the International Energy Agency, which was set up or promoted primarily by the United States about a year ago, where the basic industrial consuming nations have joined together to meet with the producing nations -- OPEC, for example.

We are negotiating directly with them. I think that has more potential than relying on the Soviet Union to help us with the Arab nations.

MORE

Our relations with the Arabs are good. I don't think we have to go through the Soviet Union in this case or any other case, as far as dealing with Arab nations.

QUESTION: Mr. President, if Israel is expelled from the United Nations, would the United States withdraw, and can you foresee any circumstances that might prompt the U.S. to withdraw from the UN?

THE PRESIDENT: I don't expect the United Nations to kick Israel out, and, of course, the United States would vigorously protest and vote against any such effort on the part of any nation or nations. We believe that the prospects for that happening have subsided considerably, particularly since the agreement between Egypt on the one hand and Israel on the other.

If we can continue to have momentum in the Middle East -- which I think will continue -- the prospects of Arab nations and other non-aligned nations trying to kick Israel out becomes less and less.

In other words, the position of Israel in the United Nations becomes stronger as we keep momentum going for a solution, a long-term solution, to the problems in the Middle East.

To answer your last question, I foresee no circumstances where the United States would leave the United Nations. I think it would be a mistake. It is good for us to be a part of that forum.

QUESTION: You have had problems there in the past.

THE PRESIDENT: We have problems in other forums as well. I have always found the best way to win a game is to play it, not to sit on the sidelines, and the United States ought to be in the game in the United Nations to protect our interests. It is a lot better inside than sitting out doing nothing.

QUESTION: Would it be in the interests of the U.S. to try to arrive at a formula sometime so that North and South Vietnam could enter the United Nations? They were vetoed this time because of the connection with Korea. But, isn't it true that the United States continues to have a great interest in that part of the world, and isn't there a danger that relations with North and South Vietnam can get into a deep freeze the way China and Cuba did for so many years, to nobody's advantage?

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THE PRESIDENT: We believe in the universality of the United Nations. We feel that it is in the interest of the world as a whole to have all nations that want to become a part of the United Nations be members, but the effort of North and South Vietnam to get in was predicated on their coming in alone.

We felt if North and South Vietnam were to be a part of the United Nations, South Korea, that has had its application in to be a member for a good many years, also ought to be included. You can't be selective on who or what nation should be a part of the United Nations.

I presume, based on our overall interest in matters involving Southeast Asia, that it is conceivable under certain circumstances that our relations with North and South Vietnam will improve, but a lot has to happen.

For example, North Vietnam continues to refuse to give us information concerning the MIA's and they try to bribe us by saying "we will give you information about MIA's if you will let us in the United Nations."

Well, North Vietnam agreed in January of 1973 to give us information, to give us access to North Vietnam to find the MIA's, and they have not lived up to it, so how can we trust them? They have got a lot of things to do before we are going to be very receptive to their participation.

MORE

9/12/75  
Interview with  
Julius Hunter  
St. Louis Globe

QUESTION: Mr. President, busing is a subject, a practice that is distasteful to a large segment of the American population, both black and white. If it is such a distasteful and wasteful process, why bus? Is there any alternative that you see?

THE PRESIDENT: I think that we have to decide, in the first place, what we are really trying to do by busing before you discuss whether it is good or bad. All of us -- white, black, every American, in my opinion -- wants quality education.

Now, the court decided in 1954 that separate but equal schools were constitutional and the courts have decided that busing is one way to try and desegregate on the one hand and perhaps improve education on the other.

Many of those decisions have raised great problems in many, many localities -- Louisville and Boston being the most prominent at the present time.

Discussing those two communities, let me very strongly emphasize the court has decided something. That is the law of the land. As far as my Administration is concerned, the law of the land will be upheld, and we are upholding it.

But then, I think I have the right to give what I think is a better answer to the achievement of quality education, which is what we all seek, and there is always more than one answer.

I think that quality education can be enhanced by better school facilities, lower pupil-teacher ratios, the improvement of the neighborhood, as such. Those are better answers, in my judgment, than busing under a court order.

Quality education can be achieved by more than one method. I was reading in the Washington Post this morning a column by one of the outstanding black columnists, Mr. Raspberry, and Mr. Raspberry has come to the conclusion that court ordered, forced busing, is not the way to achieve quality education for blacks or whites in a major metropolitan area.

That is a very significant decision by Mr. Raspberry, who I think Mr. Dudman, for example, highly respects.

QUESTION: I certainly do.

In Boston and Louisville, where the court has ordered busing, how well do you think the people of those two cities have conducted themselves in bringing about court ordered exchanges of black and white students?

MORE



THE PRESIDENT: There have been some disorders there over the last year or more.

QUESTION: I am thinking about this fall. There have been Federal agents there, of course, to try to maintain order. Are you reasonably well satisfied with the way things have happened or not?

THE PRESIDENT: So far, there has been a minimum of local disorder. I hope that that attitude can prevail in the months ahead as the police involvement and the Federal marshal involvement becomes less and less.

I am also an optimist, even though I disagree with the method by which they are trying to achieve quality education.

QUESTION: Are you counseling the people of those two cities to cooperate with the courts, or are you encouraging them to maintain their strong feelings in some cases that this is an improper solution?

THE PRESIDENT: Last year I did a televised tape urging the people of Boston to cooperate with the court and to maintain law and order. I did that then, and I have counseled everybody that I talked with in Boston to encourage their fellow Bostonians to obey the law and follow the court's action.

QUESTION: We have time for one short question and one short answer.

QUESTION: Mr. President, assuming your nomination, will you agree to broadcast debates with the nominee of the other party?

THE PRESIDENT: That gets into some problems involving the current law. I am not/sure that a public debate on television is the best way for the public to analyze a candidate. I don't rule it out, but I won't make any firm commitment at this time.

QUESTION: What about a public debate on the radio?

THE PRESIDENT: I think it is a possibility, but I would not want to make a firm commitment at this time.

QUESTION: Mr. President, a cartoon in the newspaper recently mentioned that your wife's comments on the CBS program, Face the Nation, would only hurt your campaign if she ran against you. (Laughter)

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THE PRESIDENT: I am very proud of her, and we had a wonderful marriage. We have in our family the right of Betty, as well as the children, to speak their minds. I think she was misunderstood to some extent, and I repeat, I am proud of her and we have had a very happy marriage.

QUESTION: Thank you very much, Mr. President, for being with us today in St. Louis.

Welcome, again.

THE PRESIDENT: Thank you.

END (AT 1:33 P.M. CDT)