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#15
6/9/75

PRESS CONFERENCE NO. 15

of the
PRESIDENT OF THE UNITED STATES

7:30 P.M. EDT
June 9, 1975
Monday

In the Rose Garden
At the White House
Washington, D.C.

THE PRESIDENT: Good evening and won't you all sit down, please.

On Friday the "Commission on CIA Activities within the United States" presented its report to me. I read the report this past weekend, and have decided it should be made available to the public. It will be released tomorrow.

I thank the Vice President and the other members of the Commission and the staff. It will be obvious to those who read the report that the Commission has done an extensive job of looking into the allegations that the CIA exceeded its authority by conducting domestic operations in violation of its statute. My reading of the report leads me to the conclusion that the Panel has been fair, frank and balanced.

I will ask the Attorney General to study all the materials gathered by the Commission on any matter to determine whether action should be undertaken against any individuals.

I am asking each of the Federal Agencies and Departments affected by the report to study its recommendations and report back to me with their comments.

In addition to investigating the original allegations of improper domestic activities by the CIA, the Commission, at my request, subsequently looked into allegations concerning possible domestic involvement in political assassination attempts. The Commission has reported that it did not complete every aspect of that investigation. The materials they have developed concerning these allegations have been turned over to me in classified form.

Because the investigation of political assassination allegations is incomplete and because the allegations involve extremely sensitive matters, I have decided that it is not in the national interest to make public materials relating to these allegations at this time. However, under procedures that will serve the national interest, I will make available to the Senate and House Select Committees these materials together with other related materials in the Executive Branch.

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I know that the members of the Congress involved will exercise utmost prudence in the handling of such information.

As I have stated previously, I am totally opposed to political assassinations. This Administration has not and will not use such means as instruments of national policy. However, in fairness, none of us should jump to the conclusions as to events that may have occurred in the past 15 or 20 years.

After I have further studied the recommendations of the Commission, I will order or submit to the Congress the necessary measures to insure that the Intelligence Community functions in a way designed to protect the Constitutional rights of all Americans.

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It remains my deep personal conviction that the CIA and other units of the Intelligence Community are vital to the survival of this country. As we take the steps necessary to insure the proper functioning of the Intelligence Community, we must also be certain that the United States maintains the intelligence capability absolutely necessary for the full protection of our national interests.

QUESTION: Mr. President, will you turn over to the Justice Department the materials on the allegations of assassination plots as well as the other materials? And if so, will you expect them to conduct their own investigation then in that field to determine whether criminal prosecution might be in order?

THE PRESIDENT: Mr. Cormier, I will turn over the material that has been given to me by the Rockefeller Commission and I will turn over to the Justice Department other material within the Executive Branch of the Federal Government so that the Department of Justice and the Attorney General will have full access to whatever we have for determination by them as to any need to prosecute any individual.

Miss Thomas?

QUESTION: Mr. President, at a recent news conference you said you had learned the lessons of Vietnam. Since then, I have received a letter from Mrs. Catherine Litchfield of Dedham, Massachusetts. She lost a son in Vietnam and on her behalf and on behalf of many, many parents with her plight, I would like to ask you what are these lessons you learned from the Vietnam experience?

THE PRESIDENT: I think, Miss Thomas, there are a number of lessons that we can learn from Vietnam. One, that we have to work with other governments that feel as we do -- that freedom is vitally important. We cannot, however, fight their battles for them. Those countries who believe in freedom as we do must carry the burden. We can help them, not with U.S. military personnel but with arms and economic aid so that they can protect their own national interest and protect the freedom of their citizens.

I think we also may have learned some lessons concerning how we would conduct a military operation. There was, of course, from the period of 1961 or 1962, through the end of our military involvement in Vietnam, a great deal of controversy whether the military operations in Vietnam were carried out in the proper way. Some dispute between civilian and military leaders as to the proper prosecution of a military engagement -- I think we can learn something from those differences and if we ever become engaged in any military operation in the future -- and I hope we don't -- I trust we have learned something about how we should handle such an operation.

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Q Does that mean you would not conduct a limited war again with a certain amount of restraint on the part of our bombers and so forth?

THE PRESIDENT: I would not want to pass judgment at this time on any hypothetical situation. I am simply indicating that from that unfortunate experience in Vietnam, we ought to be able to be in a better position to judge how we should conduct ourselves in the future.

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QUESTION: What is the nature of the Federal law that may have been violated by the CIA? I can understand where a state law may have been violated, but is there a Federal statute you have in mind?

THE PRESIDENT: Involving the CIA?

QUESTION: Yes.

THE PRESIDENT: In 1947, the Congress passed the basic charter of the Central Intelligence Agency, and the law passed by the Congress gives certain responsibilities to the CIA in the handling of intelligence overseas. It was understood, as I have read excerpts from the debate of 1947, that the Central Intelligence Agency should not be involved in any domestic activities.

Now, if individuals within the CIA violated that basic charter, it will be for the Attorney General to make a judgment as to whether there should be any prosecution. In a broader sense, however, if it is determined that the Central Intelligence Agency, as an organization, has violated its charter, then, of course, corrective action will have to be taken, and without revealing what was in the report from the Rockefeller Commission, I believe there will be certain recommendations for some legislation and some administrative action that ought to be taken to make certain and positive that the agency does its job and that the rights of Americans, domestically, are well protected.

Yes, Mr. Brokaw.

QUESTION: I was wondering why you had the Rockefeller Commission stop short in its work and not complete its investigation into alleged political assassinations? Why did you not reach a conclusion in that particular area?

THE PRESIDENT: Let me say, at the outset, I did not tell the Rockefeller Commission that it should not proceed further. The Rockefeller Commission, on its own, decided that it wanted to conclude its operations on the basis of the original responsibilities given to it.

The Commission, at the outset, was told it should investigate allegations concerning domestic violations of its charter. Subsequent to that, there were questions -- I should say -- raised about political assassinations. I suggested that the Commission undertake an investigation of any domestic involvements in political assassinations.

The Commission, after the original 90 days it was given to complete its report, requested an extension for an additional time, and I gave them an additional 60 days.

Sometime in early May, the Commission decided that it wanted to conclude its original assignment, and they decided that they should make the report, which will be released tomorrow to the public. And they have turned over to me the material they collected concerning any political assassinations.

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QUESTION: This was a Presidential commission, of course. Do you agree with their conclusion to stop without reaching a conclusion in this particular area?

THE PRESIDENT. I do for this reason, that the material they have collected, the interviews, the hearings, any other material that they are giving to me I am turning over to the Attorney General along with other material that we are collecting within the Executive Branch of the Government so that the proper agency of the Executive Branch of the Federal Government will be in a position to analyze and to prosecute if there is any need to do so.

QUESTION: Sir, if I may press you on that just a little bit. Why aren't they the proper agency to do that? They were assigned by you to look into the CIA and find out what was wrong. They obviously got into something very controversial and then all of a sudden they just stopped. Why didn't you tell them, "Go on, fellows, and get to the bottom of this." Isn't that the way investigations are usually conducted?

THE PRESIDENT: I think you have to bear in mind the original assignment of the Rockefeller Commission which was to investigate any alleged illegal activities domestically. The CIA has a charter only to conduct intelligence matters overseas and the allegation was made by many that the CIA had involved itself into domestic intelligence matters.

I asked the Rockefeller Commission to undertake an investigation of the original charges which was a very major responsibility. I think they decided that they should conclude their investigation of the basic charges and give to me for proper utilization by the Attorney General for any further investigation and prosecution.

I think it is a responsible manner in which to handle this situation.

QUESTION: But you don't think you are going to open yourself up to some kind of charges of coverup by doing it this way?

THE PRESIDENT: I am convinced that with the Attorney General, Mr. Ed Levi, we have a man who is going to carry out his sworn obligation to conduct an investigation on the broadest basis and to prosecute if there is any problem. I have full faith in the Attorney General and I should add that the Senate and House Committees are also in the process of making further investigations as they have been charged with the responsibility by the Congress so there is not going to be any possibility of any coverup because we are giving them the material that the Rockefeller Commission developed in their hearings, plus any other material that is available in the Executive Branch.

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QUESTION: Mr. President, do you foresee any time in the future when that material from the Rockefeller Commission that relates to assassination plots and other White House material that you say you will now turn over to Congressional committees, do you foresee any time when it might be in the public interest to have that released?

THE PRESIDENT: I think there may be and if you noticed in my opening statement I said at this time that I would not want to prejudice that at the moment.

QUESTION: Mr. President, what part was played in your thinking by concern about the memories of President Eisenhower and President Kennedy and the fear that not fully substantiated allegations coming out, especially by the late President Kennedy, at this time, would lay you open to the charge of trying to interfere with a candidacy of Senator Kennedy?

THE PRESIDENT: I was personally very cognizant of anything that I divulged, passing judgment in hindsight as to decisions made in the last 15 or 20 year. I have read the summary from the Rockefeller Commission concerning political assassinations. I have read other material collected by the Executive Branch of the Government, going back to late 1959 and running up through 1967 or 1968. I have read that myself and under no circumstances do I want to sit in 1975 passing judgment on decisions made by honorable people, under unusual circumstances. I think historians will make those judgments better than anybody in 1975, including myself. So it is my feeling that I, the members of Congress and others, ought to reserve judgment and that is why I caution the House and Senate Committees to use utmost prudence in how they handle the material I am giving them.

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QUESTION: When you say, sir, that you don't want to sit in judgment on decisions made by others some 15 years ago, are you suggesting that there were decisions made by the Presidents in that time?

THE PRESIDENT: No, quite the contrary. I am not passing judgments on whether they were right or wrong. I simply am saying that for us 15 to 20 years later to put ourselves in the position of people who had the responsibility in the highest echelons of our Government, we shouldn't be Monday morning quarterbacks, if I could invent a cliché. I think it is better to let history tell the story rather than contemporaries.

Yes?

QUESTION: Mr. President, in the view of what some people have called the post-Watergate morality, do you believe the CIA's credibility can be restored until and unless the story of the allegations of political assassination are disclosed fully to the public?

THE PRESIDENT: Of course, I do. I believe that the credibility of the CIA can be and will be restored by the report of the Rockefeller Commission, and the recommendations of the several Congressional committees.

I believe that there can be internal improvement in the CIA. I think there can be legislative recommendations that I hope the Congress will enact, and the net result will be that we will have a strong, effective and proper Central Intelligence Agency.

I have excellent faith that we can do the job, that we will do it and that we will have a CIA that will do the job for us.

Yes?

QUESTION: I wonder if I can change the subject to Europe and the future. There are reports, sir, that both the United States and the Soviet Union seem to be less and less interested in the Security Conference that is due up this year. Could you tell me something about the future timetable, when that might come up, how SALT is doing, when you might be seeing Mr. Brezhnev, and so forth? There seems to be some slippage in this.

THE PRESIDENT: I was in Europe. I discussed with many European leaders the status of the European Security Conference, their views. It appears that there are some compromises being made on both sides between the Warsaw Pact nations and European nations, including ourselves, that will potentially bring the European Security Conference to a conclusion. Those final compromises have not been made, but it is getting closer and closer.

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I hope that there will be sufficient understanding on both sides to bring about an ending to this long, long negotiation. If it does, in the near future, we probably would have a summit in Helsinki.

The negotiations on SALT II are progressing, I think, constructively. The technicians are working on problems of verification and other matters that are very important, but can be better outlined and put together by the technicians.

I am optimistic that we can have a SALT II agreement, but I can assure you, as I have others, that we are going to make certain that our national security interest is very, very adequately protected, and I think it can be, as I look at the overall picture.

QUESTION: To follow up, sir, when do you think Mr. Brezhnev might be coming here? Would you give a ballpark guess on that?

THE PRESIDENT: I would hope if negotiations go the way they are, some time in the fall of 1975.

Yes?

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QUESTION: Mr. President, turning to the economy, the unemployment figures for the month of May were at a 38-month high; 9.2 percent. What is your assessment of where the economy will stand at the end of this year, and pick some random date in the future -- let's say, October or November of the election year -- as to where it will stand then?

THE PRESIDENT: I am optimistic that the economy has bottomed out. We have had a lot more good news than we have had bad news. The bad news, of course, was the increase in the unemployment to 9.2 percent, but I hasten to add that, for the second month in a row, we have had an increase in actual employment.

As a matter of fact, over the last two months, we have had about a 450,000 increase in people employed in the domestic economy. In addition, we are continuing our headway in the battle against inflation. We have cut the rate of inflation by about 50 percent in the last six months.

The civilian economy showed some other encouraging factors. The Department of Commerce, last week, released a report that showed that the 12 economic indicators were up 4.2 percent, one of the largest, if not the largest, increases in the last several years. New orders, housing permits are up.

We have gotten, I think, an accumulation of encouraging signs, and I believe that towards the end of the year it will look better. And I happen to believe, in 1976, the economy will look even better, and we are going to work at it.

QUESTION: Would you care to give us a figure, sir?

THE PRESIDENT: No.

QUESTION: Mr. President, to follow on Helen's question, sir, do you believe the language of our mutual defense treaty with South Korea requires the presence of American troops there, or can the United States fulfill its commitment short of that?

THE PRESIDENT: I believe it is highly desirable, under our mutual defense treaty with South Korea, to maintain a U. S. military contingent in South Korea. We have now roughly 38,000 U. S. military personnel in South Korea. I think it is keeping the peace in Korea, and I think it is important for the maintenance of peace in the Korean peninsula that, that force stay in South Korea.

QUESTION: Are you thinking of keeping them there indefinitely, or do you hope to review that question next year?

THE PRESIDENT: It is constantly under review.

QUESTION: Mr. President, to get back to the CIA, some senior assistants of yours have blamed Vice President Rockefeller for having suggested the public report on the CIA would contain assassination findings and for announcing plans to issue the Commission report before checking with you. Has this caused you any embarrassment, or anyone in the White House?

THE PRESIDENT: It has not embarrassed me. I have, of course, been in constant contact with the Vice President. I understand that the Commission was going to make the decision that it would not get any further into the political assassination area, that they wanted to conclude their Commission investigation and file its report.

The Vice President and I understand each other perfectly.

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QUESTION: The Prime Minister of Israel is coming on Wednesday, I believe, and you met with Egyptian President Sadat a week ago. As you go into this next phase of consultations, are you any more prepared to give Israel stronger guarantees?

THE PRESIDENT. My meeting with Prime Minister Rabin of Israel, which is to be held on Wednesday and Thursday of this week, will be a meeting where I will get his personal assessment of the overall situation in the Middle East.

We will discuss the options that I see as possible, either a resumption of the suspended step by step negotiations or a comprehensive recommendation that I would make to probably reconvene the Geneva Conference or a step by step process under the umbrella of the Geneva Conference.

I am going to go into these alternatives or these options in depth with Prime Minister Rabin and when we have concluded our discussions, I will be in a better position to know how our Government should proceed in trying to achieve a broader peace, a more permanent peace, with fairness and equity in the Middle East.

Mr. DeFrank.

QUESTION: Thank you, Mr. President.

You keep saying that you are going to announce your candidacy for election in 1976 at the appropriate time, but nothing happens. Are we getting any closer to that appropriate time and, if so, can you tell us about that?

THE PRESIDENT. You are getting closer and closer, (laughter) but I have not picked a specific time for that announcement. There is no doubt of my intention. I reiterate it again tonight, but all I can say is we are getting closer and closer to a specific announcement. (Laughter)

Mr. Barnes.

QUESTION: When you were in Salzburg, you appeared to be especially friendly with Egyptian President Sadat. Was this public display of friendliness with him designed in any way to pressure Israel to make new concessions toward a Middle East settlement?

THE PRESIDENT: I did enjoy my opportunity to get acquainted with President Sadat and I not only enjoyed his company, but I benefitted from his analysis of the Middle East and related matters, but I have the same relationship with Prime Minister Rabin. I have known him longer and this will be the second or third opportunity that I have had a chance to meet with him, plus my opportunities when he was the Israeli Ambassador here.

MORE

I think I can be benefitted immeasurably by meeting face to face with people like Prime Minister Rabin and President Sadat. This judgment by our Government in this area is a major decision and we have to get the broadest possible information to make the best judgment. And in both instances, as well as others, I am glad to have the help and assistance of those who come from that area of the world.

QUESTION: Mr. President, some of your critics in Congress argue that your veto of legislation, such as the public service jobs bill, amounts to a minority rule. Is it your judgment that the next year, year and a half, will be a series of veto confrontations and stalemate?

THE PRESIDENT: There is no need for it, if the Congress acts responsibly in the handling of the Federal fiscal affairs. I would hope that the veto that was sustained last week will put the proper environment on Capitol Hill for a responsible fiscal policy by the Congress.

If the Congress ignores the desire on the part of the President and more than a third of the House to be responsible fiscally, then, of course, we will have more vetoes.

I would hope that there might be a lesson learned and that we will have responsibility rather than irresponsibility by the Congress.

THE PRESS: Thank you, Mr. President.

END

AT 8:01 P.M. EDT

#16
6/15/75



PRESS CONFERENCE NO. 16

of the
PRESIDENT OF THE UNITED STATES

5:00 P.M. EDT
June 25, 1975
Wednesday

On the South Grounds
At the White House
Washington, D.C.

THE PRESIDENT: Please sit down.

I think this is a delightful place to have a press conference, and I hope all of you feel the same way.

I do have an opening statement.

I commend the House of Representatives for its vote to sustain my veto of the housing legislation. This vote demonstrates a growing sense of fiscal responsibility in the Congress and a realization by an increasing number of Congressmen that economic recovery need not be bought at the price of unwise legislation and costly inflation.

I am prepared to work with the Congress in reaching our common objectives -- a revitalized housing industry, more jobs in construction and a sound economy.

I again urge the Congress to extend for another year the Emergency Home Purchase Assistance Act of 1974, and to expand it by another \$7 billion 750 million as quickly as possible.

To head off the foreclosure of homes whose owners are temporarily out of work, I again ask the Congress to act expeditiously on legislation introduced by Congressman Lud Ashley of Ohio and Garry Brown of Michigan and others to provide mortgage payment relief and co-insurance for lenders who refrain from such foreclosures.

I am confident that we can and will meet to solve these problems.

Miss Thomas?

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QUESTION: The United States, as a matter of policy, has consistently disavowed the first use of nuclear weapons. Is that still our policy in view of recent developments?

THE PRESIDENT: Well, the United States has a policy that means that we have the maximum flexibility for the determination of what is in our own national interest. We had a change of some degree about a year and a half ago.

When I took office, or since I have taken office, I have discussed this change to maximize our flexibility and to give us the greatest opportunity for our own national security, with Secretary Schlesinger, and I can assure you that it is a good policy, and it is a policy that I think will help to deter war and preserve the peace.

QUESTION: Well, may I follow up, sir?

THE PRESIDENT: Sure.

QUESTION: You haven't said whether you will use the first strike, in terms of tactical or strategic, and don't you think the American people should know?

THE PRESIDENT: I don't think it is appropriate for me to discuss in a press conference what our utilization will be of our tactical or strategic weapons. This is a matter that has to be determined if and when there are any requirements for our national interests, and I don't believe under these circumstances that I should discuss how, when or what kind of weapons should be used.

Mr. Cormier?

QUESTION: Declaration of candidacy, the completion of the Middle East reassessment is getting closer every day. I wonder how close is it now and does it look more like a return to step-by-step diplomacy, or a move to Geneva?

THE PRESIDENT: The reassessment that we are undertaking in regard to the Middle East has not been concluded. We have met with a number of heads of government in the Middle East. We have discussed the alternatives and options with a number of other people who are knowledgeable in this area, but I cannot give you a date as to when that reassessment will be concluded.

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Obviously, it is getting closer and closer because we must not permit, to the degree that we can affect it, a stalemate or stagnation, because the longer we have no movement toward peace in the Middle East, the more likely we are to have war and all of its ill-ramifications.

I can only say we are working on the problem with countries in the Middle East and with others, and that the reassessment will be concluded in an appropriate time, and it will provide for movement, as far as we are concerned.

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THE PRESIDENT: Mr. Cormier.

QUESTION: Is it more likely to be in the direction of Geneva, or more shuttle diplomacy?

THE PRESIDENT: The options are still open.

QUESTION: Mr. President, your popularity in the public opinion polls has risen rather dramatically recently, and I know you have discussed this matter with pollster Louis Harris. To what do you attribute your improvement in the public opinion polls recently?

THE PRESIDENT: Naturally, I am pleased that the polls have shown improvement. I think this is a reflection of the fact that we have had a consistently strong policy, domestically, aimed at doing something affirmatively about inflation and showing our concern and compassion in the field of finding a remedy to the recession. I think it also reflects some of the hard decisions we had to make in the area of foreign policy.

Obviously, the MAYAGUEZ incident and the way it was handled has had a good reaction, but we have done other things in foreign policy. The trip to Europe, I think, was effective in that it showed the Alliance is strong and we are committed to the Alliance, and, of course, the Alliance has contained aggression and maintained peace in Western Europe.

So, there is a whole series of things that, in my judgment, have been good for the country, and when something is good for the Nation, people, who have something to do with it, do benefit to some extent.

QUESTION: Mr. President, on the subject of foreign policy, Secretary Kissinger spoke in Atlanta the other night, and he had something to say about our alliances, that "...no country should imagine it is doing us a favor by remaining in alliance with us..." Is this a signal of a new attitude towards our allies?

THE PRESIDENT: I don't think it is a signal of a new attitude. Any bilateral agreement is in the mutual interest of both parties, and any alliance, such as the North Atlantic Alliance, is also in the mutual interest of all of the participants.

Now, occasionally, I suspect, some partner gets the impression that his country is getting less out of an alliance than another. We think it is important to keep them on a mutual basis, and we intend to do so. But there was nothing in Secretary Kissinger's comments in Atlanta the other night that was aimed at any one country or any one alliance.

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QUESTION: Well, if we might have had Turkey in mind as one country, I am just wondering if this is a diplomatic thing to say at this time when our bases are at stake and the welfare of NATO?

THE PRESIDENT: Secretary Kissinger's comment, as I said a moment ago, was not aimed at any one country or any one Alliance. We are concerned about the conflict in the Mediterranean, which has resulted from the Cyprus difficulty of about 18 months or more ago, which has resulted in differences between Turkey and Greece.

I can assure you that we are going to work as we have in the past to try and find an answer to that problem, but I don't think the Secretary's comment in Atlanta was aimed at either Greece or Turkey or any particular Alliance.

QUESTION: Mr. President, your aides say that unemployment next year, an election year, will be very high, perhaps as high as eight million Americans. Yesterday, George Meany charged your Administration with callous disregard for human misery.

My question is this, sir: Why should the American people vote to put back in office a President whose policies accept such a high rate of unemployment among the American people?

THE PRESIDENT: We don't accept that as a figure that we want. We have to be realistic in that with the high inflation we had a year ago 12 to 14 percent. We have to do something affirmatively in regard to inflation, and we have cut the inflation rate in the last six months by 50 percent.

As you bring down inflation, we may have to suffer for a short period of time higher unemployment than we like, but I am convinced that with the policies we are pursuing, we can gradually increase employment and gradually decrease unemployment.

I am glad to indicate that in the last two months, according to the statisticians, we have had an increase of about 550,000 more people gainfully employed. This is a good trend, and I think you are going to see it increasing. I hope in the process that we will go down from the 9.2 percent unemployment -- I think we will -- that we reported several weeks ago.

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QUESTION: If I may follow up, sir, your own Administration's forecasts say that unemployment won't go down to 5 percent until 1980.

My question is: Don't you consider this to be a potent political issue next year?

THE PRESIDENT: I think it is an unacceptable figure. I hope they are wrong. I can only point out that six months or a year ago some of my advisers were telling me that inflation in 1975 would be 8 or 9 percent. It is down to 6 percent.

So, I think we can hopefully expect the same kind of improvement over the speculation in unemployment that we had in forecasting inflation.

QUESTION: If the economy has not shown a significant upturn sometime late this fall, would you consider asking Congress to extend for another year the tax reduction that is now in effect?

THE PRESIDENT: If the evidence shows that the tax reduction measures that were approved early this year were beneficial in moving the economy forward, and if we are convinced that the tax reductions would not create a deficit of a sizeable magnitude, more than we can afford, and if we have an economic situation that is not moving ahead and not improving, yes, I would consider recommending to the Congress that the tax reductions be extended for another year.

QUESTION: Have you discussed this with Congressional leaders as a possibility?

THE PRESIDENT: I have not discussed it with Congressional leaders. We keep a close check on economic indicators within the White House, and we have analyzed the alternatives in this situation.

If the conditions prevail that I indicated a moment ago, we would consider this as an option.

Yes, Mr. Brokaw?

QUESTION: Mr. President, are you concerned that the Congressional budget office is concerned that if the Middle East oil producers raise the price of oil this fall, as they have threatened to do, it will prolong the American recession and delay the recovery?

If the Middle East oil producers do, in fact, increase the price of oil, would you expect the American people to just swallow that increase, or would you have a definitive Administration response to an increase from the Middle East, and if you do, what would it be?

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THE PRESIDENT: First, any increase in foreign oil would be, in my judgment, very disruptive and totally unacceptable. As you know, I have been trying to get the Congress to pass an energy program that would make us less vulnerable to any price increase by foreign oil sources.

Unfortunately, the Congress has done nothing, but we are going to continue pressing the Congress to act.

Now, our program, which I hope the Congress will pass eventually, would produce more domestic oil and make us less dependent on foreign oil.

In the meantime, we have to work with our allies, the oil-consuming nations, to bring our policies closer together so we can act in negotiations with the oil-producing countries. The international energy agency which was formed by the oil-consuming nations has made some progress in this area.

I hope that through this organization and our domestic energy program, we can meet the challenge, or the prospective or possible challenge, of the OPEC nations.

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QUESTION: Is that what you mean when you say an increase from the Middle East would be unacceptable, or do you have something else in mind, and could you spell that out? What does unacceptable mean?

THE PRESIDENT: It means that it is unacceptable in the sense that we as a Nation, individually, and we as a Nation, in conjunction with our allies, are going to find some answers other than OPEC oil.

QUESTION: Mr. President, in response to your comments to Helen at the beginning of the news conference, let me just ask you this question point blank: If North Korea attacked South Korea, would you use nuclear weapons to stop that?

THE PRESIDENT: I don't think, Mr. Schieffer, that I ought to, in a news conference like this, discuss what I might or would do under the circumstances you describe. We have a strong deterrent force, strategically and tactically, and, of course, those forces will be used in a flexible way in our own national interest, but I do not believe it is in our national interest to discuss how or when they would be used.

Under the circumstances ---

QUESTION: You are flatly not ruling it out, though?

THE PRESIDENT: I am not either confirming it or denying it. I am saying we have the forces and they will be used in our national interest, as they should be.

QUESTION: Mr. President, your old sidekick, the former Secretary of Defense, Melvin Laird, has written in a magazine article that the Russians had repeatedly violated the SALT agreement and have mocked detente, and he also had some things to say about what they are doing in Portugal and the Middle East.

How concerned are you about these charges?

THE PRESIDENT: I have investigated the allegations that the Soviet Union has violated the SALT agreements, that they have used loopholes to do certain things that were intended not to be done under the agreement.

I have found that they have not violated the SALT agreement, they have not used any loopholes, and in order to determine whether they have or they have not, there is a standing consultative group that is an organization for the purpose of deciding after investigation whether there have been any violations, and that group, after looking into the allegations, came to the conclusion there had been no violations.

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Now, as I indicated in Brussels at a press conference, we are concerned about developments in Portugal. We do not believe that a Communist-dominated government in Portugal is compatible with NATO.

Now, it has not reached that stage yet, and we are hopeful that it will not, and some of the developments in the last several days are somewhat encouraging. We certainly have a concern, and a care, and a great friendship for the Portuguese people, and we will do what we can in a legitimate, proper way to make sure that the rights of the Portuguese people are protected.

QUESTION: Can I also ask you in brief connection with this, do you then see that the European Security Conference is likely to come off as the Russians would like to have it come off, in late July, in Helsinki?

THE PRESIDENT: There have been rather protracted negotiations involving the European Security Conference. It didn't look, a few months ago, that there would be any conclusion this summer, but there have been some compromises made and there may be some others achieved that would permit a summit this summer in Helsinki, but it has not yet reached the stage where I could say there will be a summit because the compromises have not been finally achieved.

QUESTION: Mr. President, there has been a good deal of curiosity about your recent meeting with Governor Connally. Do you expect him to take part in the campaign next year, or is he going to run himself?

THE PRESIDENT: Well, John Connally is an old and a very dear friend of mine. He is a man who has had vast experience in Government. He was Governor of the State of Texas for four or six years, Secretary of the Navy under President Kennedy; he was Secretary of the Treasury under President Nixon.

He is the kind of person with this experience who can be very helpful in giving advice, and we had a very broad discussion on a number of matters involving domestic affairs and foreign policy.

I hope in the months ahead that I can have future meetings of this kind with John Connally because I admire him as a person and I respect his experience, and ability in Government.

I don't know whether he is going to run for any office or not. He didn't indicate that to me, but he does have a great interest in Government and he said he was going to be interested in all aspects of policy, both domestic and foreign.

MORE

QUESTION: Mr. President, would you update us on your own campaign plans; when and how you plan to announce for the nomination and how much money your committee intends to raise in the primaries; whether you expect to face any primary opposition?

THE PRESIDENT: I did authorize, a few days ago, the filing of the necessary documents for the establishment of a committee so that money could be collected and disbursements could be made. Dean Burch was indicated as the Chairman, and David Packard was indicated as the Treasurer.

This organization is the foundation of what we intend to do, and within a relatively short period of time, I will make a formal announcement that I will be a candidate. I have said repeatedly for some time that I intend to be one.

We have taken one step, another step will be taken very shortly and we expect to raise sufficient money to put on a good campaign. It will be run exactly according to the law, and I don't know whether we will have pre-convention opposition or not.

It has always been my philosophy in politics that you run your own campaign, you run on your record, and you do your best to convince delegates they ought to vote for you.-- and the people, that they ought to vote for you. I never really predicate my plans on what somebody else might do.

QUESTION: Mr. President, I would like to ask you, sir -- you said if the Arabs hike their oil prices, or there were another embargo, it would be very disruptive for the economy. You have also said recently that the recession has bottomed out, or is bottoming out.

May I ask you, what will happen to your predictions, that the recession is bottoming out, if the oil producing nations hike the price of oil by \$2 to \$4 a barrel, as they are threatening to do this October?

THE PRESIDENT: If such an oil price were put into effect, it would have an impact on our economy. It would undoubtedly have a much more significant impact on the economies of Western Europe, Japan and, probably, an even more adverse impact on the economies of the developing nations. It would have an adverse impact world-wide.

I think that it would be very unwise for OPEC to raise their prices under these circumstances, because an unhealthy economy in the United States and world-wide is not in their best interest.

MORE

QUESTION: Are you making any current efforts to persuade the oil producing nations not to increase their prices this autumn, as they have threatened, and are you meeting with any success?

THE PRESIDENT: We are seeking to solidify our consumer nation organization so that we can act in concert when we have to meet with the producing nations.

Equally importantly, I am trying to get the United States Congress to do something affirmatively in the field of energy so we don't have to worry about OPEC price increases.

QUESTION: Mr. President, on energy much of the country does not seem to think that we have a real energy crisis. People are acting as if there is no tomorrow.

Part of the problem may be that our leadership should show in a personal way how we can save energy. Could you tell us, sir, what you personally are doing, what the White House is doing, and what the Administration is doing to lead and show how we can save energy?

THE PRESIDENT: Secretary Morton, who is the head of the Energy Council in the White House, has been working with every department of the Federal Government to get them to reduce the consumption of energy -- electricity?

We have taken other steps that are probably less significant, but I think in the overall are helpful. In the White House, we try to be as conservative as possible in the utilization of electrical energy. I haven't checked the figures, but we do our best in that regard.

MORE

QUESTION: Sir, in this line, would you endorse something that might save a great deal of energy and also strike a blow for male liberation; for example, endorse something like sport shirts for summer wear in Washington D.C. and other hot climates?

THE PRESIDENT: Well, I am a great believer in that attire, but I am not sure that that would be too significant in the saving of energy, the kind of energy we are talking about.

QUESTION: Mr. President, the Rockefeller Commission was told about extensive electronic surveillance by Soviet intelligence agents and American ability to piggy-back on to that monitoring. Can you tell us how long that has been going on and what is being done about it?

THE PRESIDENT: I don't think that I should comment on a matter of that kind. I can say very emphatically that we have an expert intelligence gathering community in our Federal Government, and we have a first-class counterintelligence organization in the United States Government.

I have full faith in their responsibilities in any field, such as that that you mention.

QUESTION: Mr. President?

THE PRESIDENT: Mr. Knap?

QUESTION: You said, in answer to an earlier question, that the unemployment rate projected by your chief economic advisers is unacceptable. That projection is that unemployment would remain at about 8 percent through most of next year, and you said you would consider asking for an extension of the tax cut.

Is it your present thinking that you probably would recommend extending the tax cut if unemployment is that high; that is, about 8 percent at the start of next year?

THE PRESIDENT: I think you have to take into consideration not only the unemployment rate, but also the impact, an increase in the budget deficit of some \$20 billion on inflation.

We have two very serious problems. One, we are licking inflation, and one, we are working on unemployment and as we move ahead, we have to be most careful that we don't reignite the fires of inflation because every economist with whom I have talked tells me that if in our efforts to do something quickly in the field of unemployment we could end up with a new round of inflation, and if you have a new round of inflation of the magnitude of 10, 14, 15, or 20 percent, you will have another recession, and unemployment at that time will go to about 14 to 15 percent.

So, what we have to do is very carefully, very judiciously, look at both sides of the coin. We are, and I believe that we have made great strides in doing something about inflation.

I am optimistic that we can do something about more employment and less unemployment.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you very much. I hope you had a good time out here.

END (AT 5:30 P.M. EDT)

#17
7/12/75



PRESS CONFERENCE NO. 17

of the
PRESIDENT OF THE UNITED STATES

11:30 A.M. CDT
July 12, 1975
Saturday

In the Adams Room
At the Palmer House
Chicago, Illinois

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

I have one short announcement, a very important announcement.

I am deeply relieved at the report of the safe release of Colonel Morgan. Since his abduction on the 29th of June, the United States Government, with the close cooperation of the Government of Lebanon, has been trying to secure Colonel Morgan's return, and we are extremely glad to report that that has occurred.

At the same time, the United States is greatly appreciative of the extraordinary efforts of the Government of Lebanon in obtaining Colonel Morgan's release, and for the assistance of others who have worked toward this end.

At this point, I would be glad to recognize Mr. Neil Mehler of the Chicago Tribune.

QUESTION: Mr. President, the Republican leaders with whom you met for breakfast say you talked to them of your campaign and of unity of the party here. How can you insure that there won't be a reoccurrence of the 1972 situation, in which the Presidential campaign was competing for dollars in Illinois and competing for resources, especially when the party is at a low ebb here now?

THE PRESIDENT: The meeting we held this morning brought in all elements of the party in Illinois, and I outlined to them how my own personal campaign will work closely, not with a part, but all elements of the Republican Party in the State of Illinois.

We had this understanding at the outset, and I think it will improve rather than deteriorate. Under no circumstances will we have a repetition of the unfortunate developments in 1972.

Yes, Mr. Leubsdorf?

MORE

QUESTION: Mr. President, last night you warned against the dangers of inflation from Congressional spending, but many economists in the Congressional budget office think the greatest single threat at the moment is the forthcoming decontrol of domestic oil prices.

With that in mind, are you prepared to accept the legislation that is being worked out to extend the control program to the end of the year?

THE PRESIDENT: This is a very complicated question. I would accept an extension of the existing legislation that permits some overall control and flexibility on the part of the President.

At the same time, we do have to move to stimulate additional domestic production of oil in the United States and I, early this next week, will submit to the Congress a responsible, well-timed decontrol of domestic oil so that there will not be a precipitous rise, but at the same time offer encouragement for those that are seeking to increase and improve our domestic oil production.

This, of course, would make it far better from the point of view of the United States because we would be less vulnerable to the foreign oil imports.

What I will try to do is to phase out control in a responsible and reasonable way under existing law, and if the Congress goes along with that program, I would welcome an extension of the existing law for overall control.

MORE

QUESTION: As a follow-up to that, as you know, the price of gasoline is now in the mid-60's per gallon. How high do you think it can go and still be economically and politically acceptable?

THE PRESIDENT: If we don't increase domestic production of oil and become more and more vulnerable to foreign oil imports, then gasoline prices could rise substantially.

My program for a self-sufficient energy program in the United States will preclude any precipitous rise in domestic gasoline prices. So, the Congress has to work with me in trying to get an energy program that will increase production at home so we will not be held vulnerable to foreign oil price increases.

I believe that we are making some headway, but the Congress must move more quickly if we are to foreclose the kind of gasoline price increases that might occur if we stay vulnerable to foreign oil.

QUESTION: There is no specific figure you would like to hold to?

THE PRESIDENT: No, because the Congress hasn't acted. Until we know what the Congress does, I can't predict with certainty what the domestic production will be.

QUESTION: Mr. President, would you consider extending the pardon of former President Nixon to cover his recent testimony to the Grand Jury?

THE PRESIDENT: I don't think I should speculate on something like that. Nothing has happened. The decision I made in September was the right decision as to time and otherwise, and I don't think I should speculate on something that hasn't taken place and may not take place.

QUESTION: Mr. President, as you near the end of your first year in office and prepare to start campaigning for election to a full term, what do you consider your biggest personal accomplishments and failings as President?

THE PRESIDENT: I believe that we have done the following: One, we have restored public confidence in the White House and in the Executive Branch of the Government.

MORE

On the economic side, we have made substantial progress in reducing the rate of inflation. A year ago the rate of inflation was 12 to 14 percent. We have cut it in half; it is now roughly six percent. We are not satisfied but it is going to be a constant struggle to reduce the rate of inflation in the months ahead, and I think we will be successful.

Secondly, in the economic field we are concerned about the rate of unemployment. We don't believe that an eight percent or nine percent rate of unemployment is acceptable. We are tailoring our domestic economic plan on reducing the rate of unemployment, and I believe that in the months ahead you will see a moderation and certainly a decline in the next 6 to 12 months.

I am encouraged -- and I think this is a good sign -- that despite the rate of unemployment, in the last two months the actual number of people employed in the United States has gone up by roughly 450,000. I think that is an accomplishment, bearing in mind the overall economic circumstances.

In addition, we have taken some other steps aimed at making the United States energy self-sufficient and less vulnerable to foreign oil imports. In addition, we have promoted what I think is very important -- some constructive steps to deregulate the American economy, getting rid of those regulations that are no longer needed and necessary, and progress in this area, I think, will be more significant in the months ahead.

When I look at the overall, concerning the problems we had on our doorstep when I took office last August, I think whether it is in foreign policy, where we have strengthened our relationship with the NATO countries, handled our disengagement in Indochina, took forceful action in the MAYAGUEZ case, or whether you look at the overall domestically, in my judgment, considerable progress has been made.

QUESTION: What do you consider your major failings?

THE PRESIDENT: I will leave that to my opponents. (Laughter) I don't think there has been many.

MORE

QUESTION: Mr. President, can you tell us what was the negotiation in order to obtain the release of Colonel Morgan?

THE PRESIDENT: Our representatives in Lebanon worked very closely with the Government of Lebanon and with other elements in order to make sure that Colonel Morgan was returned. We have a policy -- and I think it is the right policy -- that we will not as a Government pay ransom, and as far as I know it was not done in this case by our Government.

But by working closely and firmly with all parties, we were, thank goodness, able to return Colonel Morgan safely.

QUESTION: Sir, your aides tell us this is a non-political trip, but as mentioned earlier you did meet with local Republicans, as you have done on several non-political trips in the past.

Now, other Presidents have done the same thing. But my question is: Since you have talked of setting high ethical standards for your campaign, do you think it is being totally candid to call these trips non-political?

THE PRESIDENT: Yes, if you look at the schedule we have followed so far on this trip and things we are doing later, such as the Commencement Address to Chicago State University, this press conference, the activities in Michigan, in all honesty I think it is a non-political trip.

QUESTION: And you will continue to conduct some political business paid for by the Government?

THE PRESIDENT: I don't think it is political business. If we have an early morning breakfast at roughly 8:00, and spend maybe 25 to 45 minutes, I don't think that can be construed to be political in the overall sense of the other things that we do.

MORE

QUESTION: Mr. President, is Vice President Rockefeller going to be on the ticket with you, or is he out of the campaign now?

THE PRESIDENT: The delegates to the Republican National Convention will make that decision, just as they will make the decision as to whether or not I will be the Presidential candidate in 1976. Both Vice President Rockefeller and myself are going to be campaigning for delegates to the Republican National Convention next year, but the final judgment will be made by those delegates.

QUESTION: But he won't be part of your campaign, this will be separate?

THE PRESIDENT: I think Vice President Rockefeller clarified that himself in a comment to the press several days ago when he indicated that he expected me, as a candidate, to try and get a majority of the delegates to the 1976 campaign and he, in effect, would do the same.

He disavowed any differences between me or himself in our efforts in the months ahead.

QUESTION: Mr. President, several major American corporations have recently acknowledged large bribes to Government officials overseas to get business. Northrop Corporation paid \$450,000 for two Saudi Arabian generals in a military sales contract that was negotiated by the Defense Department.

The question, sir, is: Does your Administration tolerate this conduct, particularly in the military sales program, or is it necessary to meet the competition?

THE PRESIDENT: If the payments are legally construed to be bribes, I forcibly condemn such payments.

I am not going to discuss the legal ramifications of these payments. Some people have one view and some another, as lawyers often do, but if they are determined to be bribes, I forcibly condemn them.

QUESTION: Sir, under American law, there is no American law to prohibit these practices, and I am just wondering if you see a need for a change in the law, particularly as it relates to defense contracts.

THE PRESIDENT: If there isn't a law that covers a bribe in these circumstances, then I think such legislation should be enacted.

QUESTION: Mr. President, some of your critics say that your Administration is insensitive to the urban crisis. I know that you met last night for about 20 minutes with Mayor Daley. Did you discuss the urban crisis with him, and what about the criticism?

MORE

THE PRESIDENT: First, I don't think there is legitimate criticism that this Administration isn't compassionate. This Administration, on the record, has an achievement of compassion. And let me quickly illustrate.

We have made available for the cities, for individuals, in the budget that I submitted for the current fiscal year, more money to meet the problems of the less fortunate in our society and for the cities that need help and assistance.

We have recommended to the Congress, for example, the extension of general revenue sharing, and instead of limiting the amount of money, we have provided for an annual increase that would go to the cities, providing, of course, the Congress approves it.

We have made some other recommendations which would make it easier for the cities to meet the problem with general revenue sharing.

Now I also pointed out to Mayor Daley -- and it was a very friendly and I think very constructive discussion -- that the general revenue sharing program plus the multitude of categorical grant programs will be helpful in the solution of the financial problems, the human problems in our cities, and that we had to get together, the mayors, the White House, and the Congress, to make sure that these programs and these dollars are available. And too much tinkering with the existing law in the general revenue sharing might be harmful rather than helpful.

I also was glad to tell Mayor Daley -- I think he knew it maybe a few hours before -- but to say that we had sympathy for the transit system here -- there was an award made by the Department of Transportation of \$107 million to help and assist at the local level in improving transit operations in this city.

QUESTION: By the way, it was announced prior to yesterday that Mayor Daley would not greet your plane, and then he did meet it. Was there pressure brought from the White House for the Mayor of Chicago to come to meet you?

THE PRESIDENT: There was no pressure brought from the White House. I can only say I have seen Mayor Daley on a number of occasions. We have a good personal relationship. I was delighted and pleased that Mrs. Daley and the Mayor met Mrs. Ford and myself, and we were especially pleased that they had the time to come to our suite in the hotel and sit for roughly a half an hour and talk about family matters, business matters, and I think that kind of relationship is wholesome for the City of Chicago and it is certainly beneficial to me.

MORE

QUESTION: Mr. President, the United States is apparently prepared to approve negotiations of a multi-term wheat and grain sale with the Soviet Union. Other countries are facing drought and may ask for sales, too.

My questions are: How much can we sell without dipping in too much into our harvest this year, and won't this increase costs of bread and food later this year to our consumers?

THE PRESIDENT: First, we should thank the farmers of this country for their tremendous productivity. We are fortunate in America to be the breadbasket of the world. Our farmers do a tremendous job in the production of food for us and for the world as a whole.

We are anticipating the largest corn crop, the largest wheat crop in the history of the United States, but there are some uncertainties.

We hope that there will be a sale to the Soviet Union. It will be helpful to the American farmer and will be a reward for his productivity. We hope that there will be ample supplies of corn, and wheat, and feed grains so that we can help other nations around the world through our Food For Peace program.

And if there is this sizeable crop in the variety of areas, it will mean that we can expand our Food For Peace program and act in a humanitarian way to the less fortunate.

I have no idea at this point what the amount will be of the sale to the Soviet Union, if it does materialize.

But I think the fact that we can make one is a blessing, and I hope we do make one, but I want to assure you, as I do the American consumer, that we are alert to the danger of too big a sale or too much shipment overseas because the American consumer has a stake in this problem as well.

So we have to find a careful line to tread, of selling all we can, but protecting the rights of the American consumer and utilizing the productivity of the American farmer to help our balance of payments, to improve our humanitarian efforts overseas and to indirectly help us in our relations with other countries.

MORE

QUESTION: But a sale of any substantial size would mean some increase in a loaf of bread here, wouldn't it?

THE PRESIDENT: I don't think I am in a position-- or anyone else is in a position--to define what a substantial sale is. A big sale with big wheat and feed grain and corn production would have a minimal effect on consumer prices in the United States.

I can only assure you and the American people that we are watching all aspects of this problem, and we will keep alert to any pitfalls or dangers that might result.

QUESTION: Mr. President, the Equal Rights Amendment has had an extraordinarily difficult time getting passed here in Illinois. At one time, your wife made several calls here. In the next session of the legislature, would you get on the phone and call some local Republicans, asking, urging them to pass the ERA?

THE PRESIDENT: I think Betty does a fine job in this effort. I, of course, voted for the Equal Rights Amendment when I was in the Congress. My record is clear.

She is an effective spokesman, and I see no decrease in her enthusiasm for this. So, come next year, I suspect she can speak for both of us.

QUESTION: A follow up. What about your own personal effort, and just how important is the issue of sex discrimination going to be in terms of your campaign?

THE PRESIDENT: Well, I have appointed to the Executive Branch of the Government a number of outstanding women to serve in positions of great responsibility.

We have a member of my Cabinet, Mrs. Carla Hills, who is Secretary of HUD. The head of the National Labor Relations Board is a woman, and an outstanding person in that area of great responsibility.

We will continue to recognize women of talent and experience because they have and will contribute significantly in the Executive Branch of the Government.

Obviously, in our campaign you will see a lot of fine, attractive, able, articulate women out there selling the candidacy.

MORE

QUESTION: Mr. President, the Federal Energy Administration suggested this past Thursday that 12 big oil companies may have inflated oil costs by \$165 million. The FEA also recently accused a big company in Virginia of overcharging the State utility.

My question is whether you think Americans can trust the oil companies today, or whether they might logically conclude the companies have been manipulating recent events to drive up their prices and profits.

THE PRESIDENT: I am very pleased that the Federal Energy Agency has taken the action that you indicate. It proves to me that they are on the job, and they are protecting the consumer's interests, and I expect them to continue such efforts.

They will do it under the law, and they will do it with emphasis.

I am not going to pass judgment on the oil companies, whether they are conspiring or not. The Department of Justice, the Federal Energy Office, will make sure that they live up to the law.

QUESTION: Do you think people should trust them, and do you trust that they have done everything possible to create as much domestic production as possible in these times?

THE PRESIDENT: I am convinced that the oil industry in this country is doing everything it possibly can under the law to increase domestic oil production. There is no question about that, in my mind. They are limited in some respects by law as to what they can do with the resources they have available.

I think we ought to applaud what they have done in the past and urge them to increase their efforts in the future.

But, we have to get some changes in the law -- and the Congress hasn't done anything here -- in order to increase very substantially our domestic oil production.

QUESTION: Mr. President, there is some talk that the people are losing control of the Government to the experts -- following up something he is saying -- the oil people are running the oil controls and the utility people are running the utility controls.

Who can we yell at? How can we hear the voice of the people?

MORE

THE PRESIDENT: I think our system overall, when you compare it with any other system throughout the world, is running very well.

We have some problems. The problems, however, are complicated by legislation or nonlegislation, by the fact that we haven't in the past focused quickly enough on some of the problems that we now have on our doorstep.

But this Government, the Executive, the Legislative and the Judicial Branch can respond to meet those problems, and the American people do have faith. I think their faith will be justified as we make headway in our economic problems, energy problems, and the like.

I concede there may be some disappointment, but the American people have the opportunity under our system, fortunately, to make changes -- if they are not happy -- in a legitimate, proper way.

QUESTION: On the other side of that, perhaps, how are you doing on deregulating, on getting rid of this maze of red tape?

THE PRESIDENT: I will make two points. One, I have met with 24 Members of the Congress, House and Senate, Democrats and Republicans, working to get the various commissions and other regulators to reduce regulation, to give the American people a chance themselves to solve these problems.

Secondly, last week, I met with the chairman and the respective members of every one of the regulatory commissions and we pointed out very specifically that they had an obligation to reduce the burdens they have placed on people and the economy so that our free economy can do more for itself than they can with their regulations.

I think we will make some headway. If we don't, we will change some of the commissions.

MORE

QUESTION: Mr. President, there have been reports that CIA agents have been working clandestinely in the White House and perhaps in some other Government departments or agencies. Is this true?

THE PRESIDENT: Well, as far as I know personally, there are no people presently employed in the White House who have a relationship with the CIA, of which I am personally unaware.

QUESTION: Do you know whether the report -- I think the reports concerned the Administrations before you, the Nixon Administration -- do you know whether there were CIA agents working clandestinely in the White House at that time?

THE PRESIDENT: That matter is being analyzed. As you indicated, the allegations concern not my Administration but the previous Administration.

I can assure you that the facts will come out, if I have anything to say about it. But I reaffirm what I said. As far as I know, personally, there are no people presently employed in the White House in this Administration who have a relationship with the CIA of which I am unaware.

QUESTION: Excuse me, sir, but who is looking into the allegations that they were there in earlier Administrations?

THE PRESIDENT: Well, the press for one. (Laughter) And I applaud that.

Secondly, I assume the Congress will make some investigation. And, of course, we, in a responsible way, will find out if we can, in a responsible way, of any such corrections in the past.

QUESTION: Mr. President, within the last week it became known that Governor Reagan was starting a committee, or a committee was being started in his behalf, looking toward the 1976 campaign. And Mr. Callaway, your campaign manager, put a good deal of distance between himself and Mr. Rockefeller.

He said he would do nothing to insure or promote Mr. Rockefeller's retention on the ticket. I wonder if there is any connection between those two events?

MORE

THE PRESIDENT: I don't think there is any connection between the two events. We made our decision to actually and officially announce my own candidacy and, with the appointment of Bo Callaway to be the chairman of my campaign effort, he made some comments concerning how Vice President Rockefeller and I will conduct our efforts in the months ahead -- the Vice President seeking his delegates, and I seeking mine.

We, of course, had no liaison with Governor Reagan and his people. They made the judgment on timing, I assume, on their own basis.

QUESTION: Mr. President, what I meant was, is the fear of a Reagan candidacy one of the reasons why you are taking this unusual step of saying that Mr. Rockefeller is on his own to seek delegates?

THE PRESIDENT: No, I don't think there is any connection whatsoever. The tradition has been that a President announces his candidacy for the high office, or other candidates do, and I don't see any relationship at all between what I have done and what Governor Reagan has done, or people have done on his behalf, and what the Vice President's effort is.

QUESTION: Mr. President, to get back to that CIA thing for just a minute, I wonder in the analysis you have done so far, have you been able to determine yet whether Alexander Butterfield, who was mentioned so prominently in the news stories yesterday, did anything in an undercover way, or anything that leads you to believe he was doing something that former President Nixon didn't know about?

THE PRESIDENT: We have no specific information in that regard, and, until we get it, or it is made available to us, I think it is premature to make any comment.

THE PRESS: Thank you, Mr. President.

END (AT 12:01 P.M. CDT)

#18
9/14/75



PRESS CONFERENCE NO. 18

of the
PRESIDENT OF THE UNITED STATES

11:40 A.M. EDT
September 16, 1975
Tuesday

In the Oval Office
At the White House
Washington, D.C.

QUESTION: Mr. President, you are beginning to get some flack now from people who think you haven't been minding the store, and in the last two days I noticed you had one announced business session yesterday and you have, I believe, only one today.

I assume you are doing something besides playing with the puppies, so what are you doing? (Laughter)

THE PRESIDENT: We have some big decisions coming up that involve, for example, the course of action that we will take on any SALT II agreement, and we have some very important decisions concerning the energy matter. We have some decisions to make that involve the delivery of material to the House and Senate committees, the Church committee and the Pike committee. So, I would say the day has been full, even though there haven't been any announced public meetings of any kind.

QUESTION: Mr. President?

THE PRESIDENT: Yes, Helen?

QUESTION: I think you probably read the Post today, and also Jack Anderson, concerning secret accords with Israel for supplying the newest technology, including missiles that could be armed with nuclear warheads and so forth. Is this true?

THE PRESIDENT: That material has all been submitted to the responsible committees in the Congress. The announcement concerning the F-16 and the Pershing missile those are not firm commitments.

They do involve negotiations between the United States and Israel. They are on the shopping list, and they will be discussed with representatives of the Israeli Government.

MORE

QUESTION: Do you really think you should arm one power in the Middle East at a time when you are moving toward peace with the potential of offensive weapons in that--

THE PRESIDENT: We have for a long, long time supplied Israel with very substantial amounts of military hardware. This was a policy established a good many years ago and we have always felt that the survival of Israel in the Middle East was very important, and the military hardware that we have in the past and will in the future provide for that survival.

As I indicated at the outset, these items were on a list open for discussion between the United States and the Israeli Government.

QUESTION: Mr. President, is the United States moving towards a security treaty with Israel? This document which we read in the Post suggests quite a close, more formalized defense relationship with Israel.

THE PRESIDENT: I wouldn't say a security treaty. I would simply reiterate what I have said before, that historically the United States has supplied Israel with very substantial military weaponry and it is our plan to do so in the future.

But there is no firm commitment on any of the weapons that I think got in the headlines this morning. They are merely open for discussion.

QUESTION: Mr. President, in one of your early press conferences you expressed approval of the CIA activities in Chile as something they have done historically. Now you are quoted as saying you may be open-minded on whether the covert activities of the CIA ought to be kept in the CIA or separated from it.

What has caused you to change your mind, if you have?

THE PRESIDENT: Since that comment in either the first or second press conference, we have had the Rockefeller Commission report, we have had the benefit of the Murphy Commission recommendations. I have had the various departments and agencies of the Federal Government that have any jurisdiction analyze those recommendations and we are now in the White House itself taking into account all of the proposals and will make legislative recommendations to the Congress, and will propose some administrative changes.

MORE

I think you have to certainly benefit from these exhaustive investigations, but I don't want to make any commitment one way or another until we actually submit the legislative proposals to the Congress and decide to do whatever we want to do administratively.

QUESTION: Though this morning, are you ruling out political activity by American agencies or is it just a question of whether the CIA would do it or some other agency would do it?

THE PRESIDENT: I wouldn't rule out necessary political activities by the United States if it involves our security.

QUESTION: Mr. President?

THE PRESIDENT: Yes.

QUESTION: Sir, part of this agreement with Israel involves our providing them with oil either through foreign credits or giving oil to them from our own supply. We don't have enough for ourselves and can't afford to pay for what we are getting.

How can we supply Israel over several years?

THE PRESIDENT: We believe there are sources available to Israel to keep Israel secure after they have given up the oil fields in the Middle East. We are not concerned that these supplies will be turned off and, therefore, it will have no adverse impact, as we see it, on our own supplies.

QUESTION: But we will pay for this oil, will we not? We will pay for this through foreign credits?

THE PRESIDENT: This is a part of the overall military economic agreement with Israel and it is a step, I believe, in maintaining the peace. I think it is fair to point out that several months ago 76 Senators sent me a letter actually urging that I recommend to the Congress more money for Israel and no guarantee of peace, whereas at the present time we have made this agreement -- or Israel and Egypt have made this agreement -- and the prospective cost to the United States is less than what the 76 Senators recommended that we propose to the Congress for Israel.

So we not only have peace and a step toward a broader peace, but it is also at a lesser cost than what the 76 Senators promoted.

MORE

QUESTION: Mr. President, you mentioned the Pike committee. They have subpoenaed CIA materials from you, returnable tomorrow. Will you honor that subpoena?

THE PRESIDENT: Let me give some background, first, on what the situation is.

Various agencies of the Federal Government -- with my approval -- have given to the Pike committee everything they have asked for, including some very highly classified material.

Now, I was disappointed in the manner in which that committee handled some of this most highly classified material. I think it is fair to point out -- I don't want you to misconstrue what I am saying -- but it is fair to point out that some of that material is specifically protected by law, and if a private citizen were to release that information involving communications intelligence, it would be a criminal -- a serious criminal offense.

I am not saying that the Congress has violated a criminal law, or this committee has done so. I only use that as an illustration to show how serious the Congress felt the release of that information would be because they passed a law saying if you or any one of you released it, it would be a serious criminal offense.

Now, the committee has all of the information that it asked for, some highly classified. They have all of the information they need to make a legislative determination as to whether the intelligence community was properly organized, properly managed, did its job well.

I am very concerned as to the damage to our intelligence sources if the procedure used by the committee in this last instance is to be the procedure used by the committee in the future. Until I find from the committee what their procedure is going to be, I will not give them the information.

I have to have from them what their procedure is under this very important classified or secret material that we have given them and that they want.

QUESTION: Mr. President?

THE PRESIDENT: Yes?

MORE

QUESTION: Mr. President, some Members of Congress are talking like an extension of the tax cut is already an accomplished fact next year. In fact, they are saying that an even larger cut needs to come. What is your thinking right now on the tax cut next year?

THE PRESIDENT: We have made no firm decision on that. We will, in a reasonably short period of time, make a recommendation. If the economy needs any additional stimulant, we will, of course, recommend a continuation of the present tax cut.

If we find that the economy is continuing to come out of the recession, as it is, and there is no danger of added inflationary problems, we would probably not recommend a continuation of the tax cut.

But, we do feel that we have some additional time before making a specific request of the Congress for action in this area.

QUESTION: Mr. President, you have been saying that there is a better way than busing to achieve quality education and suggested some better ways, such as improving facilities and the teacher-pupil ratio. Are you prepared to approve of more money to do things like that?

THE PRESIDENT: We, of course, do have in the emergency school aid legislation and appropriations a substantial amount of money that is available, and we have made money available to Boston and we have -- if my memory is correct -- done the same in Louisville, although I will have to check that.

The thing that bothers me about actions of some of the courts, where they are involved in the school busing controversy, is that they apparently have not taken into consideration the law that was passed and signed by me on August 12 of 1974, three days after I was sworn in.

That law included what was known then, and still is, as the Esch amendment. I just happen to have a copy of the Esch amendment here (Laughter) that sets forth seven specific proposals that the court should follow before they actually use the busing remedy.

It is in Title 2 of the Education Amendments of 1974, Section 214. This section establishes a priority of remedies and it says, in effect, that the courts and other Government agencies shall require the first of the following remedies, or the first combination of the remedies, which would correct a denial of rights.

MORE

It says, for example, assigning students to schools closest to their homes, taking into account both school capacities and natural physical barriers; two, assigning students to the closest school, taking into account only school capacities; three, permitting students to transfer from a school in which a majority of the students are of their race to one in which a minority are of their race; four creating or revising attendant zones or grade structures without requiring transportation, construction of new schools or closing of inferior schools, establishment of magna schools.

Then it goes on to say that students should not be transferred to a school other than the school closest or the next closest to his place of residence.

Now, those recommendations included in law in many instances apparently have not been followed by the courts. I think the courtsought to take into cognizance the legislative recommendations that are as a matter of law at the present.

Now, in addition, there are other things that I have mentioned before -- improved facilities, upgrading the teachers, if necessary, including the better pupil-teacher ratios.

QUESTION: Mr. President, that requires a lot more money than just the emergency funds you talk about. Are you going to propose increases?

THE PRESIDENT: I don't think it is going to require a great deal more money, Bonnie. Really, that is a very substantial sum, and it has been used up in Boston, and I believe it is being used in Louisville.

It is not nearly as much money if you focus it in on the places where the tension is the highest, and the problem is the greatest, particularly if the courts follow the law, as was enacted by the Congress in 1974.

MORE

QUESTION: Mr. President, on two occasions over the weekend in discussing busing you mentioned a 1954 Supreme Court decision as the basis for busing. It is my recollection that that Supreme Court decision in *Brown versus the Board of Education* related to striking separate but equal. Could you elaborate a little bit on that?

THE PRESIDENT: You are correct and I don't think I said that decision in any way ordered court busing. It was the decision in 1954 that declared unconstitutional the long accepted practice in many States of having separate but equal schools. But as an outgrowth of that court decision there have been the subsequent decisions that have involved busing.

QUESTION: Mr. President, as you know, a good many Congressional offices are receiving mail which runs contrary to your proposal for the Middle East peace settlement, particularly objecting to the use of American technicians in the Sinai.

I was wondering, sir, if as you say that is worth the risk? How long are those Americans going to be there, and is that not an open-ended commitment?

THE PRESIDENT: They will be there during the term of the agreement unless I, or another President, withdraw them because of any danger to their lives. It is a case of not more than 200 Americans performing a highly technical warning station responsibility in a UN buffer zone. I think it is a good contribution by the United States to the establishment and permanency of peace in the Middle East.

QUESTION: May I follow up, please? I would like to ask what you would do if in the course of their term in the Sinai, the PLO moves in and kidnapped some of them, captured them, or if perhaps they were killed? Would you then use American intervention; the question being then, can you flatly rule out there would be no American intervention to protect those people?

THE PRESIDENT: I am not going to speculate on something I do not anticipate will happen. I think I or any other President would use utmost caution in the protection of the lives of any Americans.

Yes?

QUESTION: Mr. President, to follow that up, if you are committed to the use of Americans on the Egyptian front, would you also, later perhaps, be committed to the principle of using Americans on the Jordanian or the Syrian front?

MORE

THE PRESIDENT: I don't think I should speculate about any negotiations or agreements that have not yet begun. It is a very valuable contribution to peace in the present agreement, but I would not want to make any commitment concerning any other.

QUESTION: Mr. President, I believe when you were talking about security out in Sacramento and when you were talking about going out and meeting crowds, I believe one reason that you have given for that is that you wanted to go out and get the ideas from the American people.

I wonder in talking and going into crowds, and working the crowds, as we call it, and shaking hands, you don't really exchange ideas with people, and that seems to be one of the most dangerous parts of these trips of yours.

THE PRESIDENT: I am very much amazed how often people in the course of shaking hands or greeting them, they will make specific recommendations or comments. It is rather amazing and very encouraging that they will do precisely as you indicate they might ~~not~~ do. And it is very helpful in that regard.

QUESTION: Mr. President, was President Sadat aware before he initialed this agreement, signed the agreement, that the U.S. would be discussing with Israel the missiles and the other shopping list of things you have mentioned, those specifics?

THE PRESIDENT: I think they were familiar with the fact we anticipated a commitment to Israel for sizeable military hardware. I can't indicate to you whether they knew the precise weapons or not but they knew, of course, we were going to make a substantial commitment in weapons to Israel.

QUESTION: Mr. President?

THE PRESIDENT: Yes.

MORE

QUESTION: Mr. President, in recent weeks you have been saying some especially nice things about Vice President Rockefeller. You said you don't dump a good teammate, and you have endorsed his performance as Vice President, yet you have always backed away from giving a flat endorsement of him as your running mate in 1976.

Why won't you do that?

THE PRESIDENT: I don't think that is the tradition at this early stage of a potential -- not a potential, but a Presidential convention and Presidential race. There is no need of my reiterating the many nice things I have said about him because he knows how I feel about him.

Everybody, I think, who has read or heard knows precisely how I feel about the fine job he has done, and he and I are in no disagreement on the comments I have made or the attitude that I have taken, so I think the record should just stand where it is.

QUESTION: Mr. President, regarding the early stage of the campaign, there has been some suggestion that you are probably deriving an unfair advantage by not having your political travel expenses charged against your Presidential campaign amount.

Do you feel comfortable with this?

THE PRESIDENT: We have been very, very scrupulous in our bookkeeping to make certain that we cannot be legitimately criticized. A President has really three functions; one, being President and attending public affairs or civic affairs; he has another responsibility as head of a political party -- and in those cases, of course, the National Committee, the Republican National Committee, assumes the cost -- and where I am involved as a candidate, the President Ford Committee will pick up the tab.

We are keeping very scrupulous books. We are, of course, going to abide by any decision of the Federal Elections Commission, and I hope they will clarify in the very near future any of the problems that might arise but our books are being kept very, very carefully.

QUESTION: Mr. President?

THE PRESIDENT: Yes.

QUESTION: Mr. President, do you expect that decision imminently?

MORE

THE PRESIDENT: I wouldn't want to forecast when they are going to make the decision, but the sooner the better, so we have a clarification.

QUESTION: Mr. President, Vice President Rockefeller has been going around saying that he is not a candidate for the Vice Presidency and he is not seeking support. This seems to be contrary to what you have specifically recommended, that he go and line up delegate support. How do you account for this difference if you and Vice President Rockefeller see eye to eye?

THE PRESIDENT: I think it is a difference of degree, not of any real substance. Obviously, if he makes appearances before Republican groups, I am sure he is going to have a favorable impact on them, and my impression is that he has made a favorable impact on the various Republican groups where he has spoken or met with the individuals.

Now, whether that can be translated into getting delegates or not, only time will tell. But, the difference alluded to, I think, is one of not great substance.

QUESTION: Mr. President, in this agreement published in the Post today, it refers to the United States viewing with particularly gravity threats made against Israel by a world power and goes on to say that the United States would promptly consult with Israel on supports or assistance that it could lend.

Now, does this go forward toward a security treaty, or does it not, and, if so, doesn't it have to be taken to the Congress first to be approved?

THE PRESIDENT: That language does not constitute a treaty. The words speak for themselves.

QUESTION: Mr. President, as an old Navy man --

THE PRESIDENT: Old? (Laughter)

QUESTION: -- do you think the discipline given the Commander of the submarine on which the go-go ~~dancer~~ performed was perhaps not in the tradition of the Navy that you knew? (Laughter)

MORE

THE PRESIDENT: I think I ought to refer that to the Navy where the matter is being, I am sure, thoroughly and properly handled under the procedures in the Navy code of conduct, or whatever they --

QUESTION: Mr. President, the cost of living keeps going up and up and Chairman Burns is now saying once again, as he has before, that monetary policy -- that is the Fed -- just can't carry the burden of trying to curb inflation. Once again, it is talking again about an income policy, starting perhaps with jawboning, voluntary jawboning, and holding down wage and prices and perhaps the dressing up of the wage price controls.

I know you are against wage and price controls but do you think it is fair for Mr. Burns to have to carry this load by himself?

THE PRESIDENT: I would like to reiterate my firm opposition to wage and price controls. I don't think it is fair to put all of the burden in the battle against inflation on the shoulders of the Federal Reserve Board. I have repeatedly indicated that Federal fiscal policy was as important as monetary policy in the battle against inflation and that is why I have consistently said we had to hold the line on Federal spending, and that is precisely why I drew that \$60 billion deficit line in the Oval Office three or four months ago.

Unfortunately, the Congress hasn't gotten the message because they have not only approved a higher deficit -- \$68.5 billion -- but they have already breached their own \$68.5 billion deficit by roughly \$5 billion. So although I feel that Federal fiscal policy is a useful tool in combatting inflation, I see very, very little cooperation from the Congress in a responsible Federal fiscal policy.

QUESTION: If I might follow up, Mr. President, this very thing of the Congress not getting your message or not agreeing with it, is the thing that the Nation's bankers are concerned about and are talking about at the IMF, and a great many are saying, "It is all very well for the President to go around saying he will never put on wage and price controls and calling for fiscal responsibility," but the facts are, the reality is there is not going to be any fiscal responsibility, there isn't going to be any hold down sufficient to curb inflation, and that sooner or later you are going to have to put in wage and price controls or at least some approximation of an incomes policy.

Now, what is your response to the bankers when they say the rhetoric is all very well, but what are we going to do?

MORE

THE PRESIDENT: I haven't had any pleas from bankers to impose wage and price controls.--

QUESTION: An incomespolicy?

THE PRESIDENT: -- and I haven't had any recommendations from any organization, such as bankers, for an incomespolicy. We do have a wage-price council that has on some occasions investigated price increases and, on several occasions, have been helpful in trying to get a moderation of a price increase, but I do not believe on the basis of past history of wage and price controls during peacetime that they worked.

I think it is a quick fix that has long-range detrimental repercussions and, therefore, under the current circumstances, I think it would be unwise to even intimate that I would favor wage and price controls.

I am still opposed to them, and I think there are better remedies.

QUESTION: Mr. President, has the potential agreement between Israel and Egypt with the United States' participation made your job easier on the Turkish aid matter in Congress? Is there a parallel that you can draw, that your legislative people can draw for the Congressmen?

THE PRESIDENT: I don't believe there is any neat analogy between the two, but the fact that we have made headway in the Middle East and achieved it through negotiation ought to be helpful in convincing the Congress that negotiations in the Turkish aid embargo is the way to solve the problem.

But, there is no direct connection between the two problems as such.

QUESTION: Mr. President?

THE PRESIDENT: Just one more, and then we will end.

QUESTION: Do you favor the decriminalization of the private use of marijuana?

THE PRESIDENT: I do not believe we have sufficient evidence at the present time to warrant any recommendation in that regard.

MORE

QUESTION: Have you read the Schaeffer Commission report? Your predecessor did not. I am wondering if you would --

THE PRESIDENT: I have read summaries of a number of studies in this area, and there is no consensus and, therefore, until more information is available, I would not make any such recommendation.

THE PRESS: Thank you very much.

END (AT 12:12 P.M. EDT)