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#79
10/9/75



PRESS CONFERENCE NO. 19

of the
PRESIDENT OF THE UNITED STATES

8:01 P.M. EDT
October 9, 1975
Thursday

In Room 450
The Old Executive Office
Building
Washington, D.C.

THE PRESIDENT: Good evening. Won't you sit down, please?

Miss Thomas?

QUESTION: Mr. President, it now seems pretty certain that Congress will approve sending American civilians to the Sinai. My question is: Will any of these Americans be drawn from the military establishment, CIA or the intelligence agencies, and is recruiting underway now?

THE PRESIDENT: I can only tell you that the American technicians will be American civilians. They are highly qualified, very technically-oriented individuals who have to operate very sophisticated electronic equipment. The actual recruiting, I assume, will begin very shortly. I am certain they will not be in the military.

QUESTION: They may not be in the military after they go to the Sinai, but are they being drawn from that area?

THE PRESIDENT: I can't give you the specifics on that, except that I can assure you that they are civilian technicians and will have no relationship to our military.

QUESTION: Mr. President, we are well aware of your opposition to a Federal bail-out of New York City, but does that necessarily mean that you would veto any legislation you might get from Congress that would aim in that general direction?

THE PRESIDENT: I don't think any legislation that I have ever heard people comment about or any legislation that I have read about would justify approval by myself. The legislation that I have heard about is a long way from getting through the Congress.

Every place I go, I check with Members of the Congress--Democratic or Republican--and I check, as some of you may know, with people in various communities, and I find no substantial sentiment for any legislation of one kind or another in the Congress to bail out New York City. So, I think it is very premature to make any comment other than nothing I have seen so far seems to fit the bill.

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QUESTION: Mr. President, you have said that or have indicated, or some of your people have, that you would veto a tax bill if it is not tied to this budget ceiling. My question is would you really shoot Santa Claus in an election year?

THE PRESIDENT: Mr. Lisagor, I have said with great emphasis that the American people want a \$28 billion tax cut and a \$28 billion reduction in the growth of Federal expenditures. They know that that is the right way to meet the problem of getting our long-term reform in tax legislation and to achieve a responsible program in spending limitations.

I absolutely, without any equivocation, say that if the Congress plays politics by sending a tax reduction bill to my desk without any responsible restraint on Federal spending, the answer is, as I said the other night, I would not hesitate to veto it.

QUESTION: Mr. President, could I follow that and ask you, have you taken any polls to find out whether the American people really support this program because you and others have said that the American people want this? How do you know they want this?

THE PRESIDENT: I have been watching some of the polls taken nationally for the last several months and there is a general consensus that Federal spending ought to be controlled, and I believe there is a strong feeling that the Federal Government should take less out of the taxpayer's pocket so the taxpayer can spend it himself.

QUESTION: Mr. President, to stay with the tax and spending program, critics of the program say that since your \$28 billion in tax cuts would start on January 1, about nine months before the spending cuts, that what you really have is a highly inflationary fiscal policy for the first part of next year. What is your response to that, sir?

THE PRESIDENT: I don't want any misunderstanding on that. Our tax cut proposal tied in with a spending limitation was not aimed at affecting the economy in any significant way whatsoever. On the other hand, if the Congress is critical and wants to put a spending limitation on the first or the last six months of fiscal 1976, I will be glad to cooperate with them. I think that might be very wholesome in that the present spending limitation that the Congress has imposed for fiscal 1976 is too high, so if they want to cooperate for the last six months of fiscal 1976, I will be right there helping them.

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QUESTION: Mr. President, to follow that, would you say why you went as high as \$28 billion at a time when your economic advisers suggested that economic recovery was not only on schedule but ahead of schedule?

THE PRESIDENT: Well, as I indicated a moment ago, the proposal for a tax cut and a spending cut was not aimed at necessarily affecting the economy. It was aimed primarily at getting a meaningful tax reduction on a permanent basis to get us straightened out in where the burden of Federal taxes should fall on individuals, giving a bigger tax break between the incomes of \$8,000 to \$25,000.

In addition, the proposal was aimed at getting a handle on this tremendous growth in Federal spending. As I indicated the other night, if we don't pass one new law, if we don't make any change whatsoever in eligibility or rates, the increase in Federal spending in the next 12 months, from July 1, will be \$50 billion -- an increase in spending of \$50 billion.

We picked the figure of \$28 billion as a reduction in that \$50 billion in order to get some of these escalation programs under control.

QUESTION: Mr. President, on another subject, the Vice President says that high-level Administration critics of your \$100 billion energy plan should either support the plan or resign. Do you agree?

THE PRESIDENT: I haven't seen any public statements by any of my advisers that they are not in accord with the recommendation that I am submitting officially to the Congress tomorrow.

We have some differences in an Administration where I have a number of very able, articulate individuals. They don't always agree on every subject. But I know of no public statement attributed to any one of them where they officially disagree with my decision.

QUESTION: Isn't Secretary Simon a persistent critic of this plan?

THE PRESIDENT: I haven't heard him say anything to me directly in contravention of my decision and, although he did raise some questions during the consideration of it, as far as I know he has not publicly come out and condemned it.

MORE

QUESTION: Mr. President, there are reports tonight that you have decided not to go to Louisville, Kentucky for a Republican dinner next week. Is that a sign for security reasons that perhaps you are going to be held hostage in the Oval Office?

THE PRESIDENT: Well, I was advised by local officials, as well as others, that under the current circumstances I should cancel the trip to Louisville and, as a result, it is being cancelled, but I would like to add that there are some unusual circumstances in Louisville at the present time.

I am going, however, to several other places -- to Detroit tomorrow night and to Connecticut next week -- and under no circumstances does this decision involving Kentucky have any impact on my decision to travel where I think it is the right thing to do, bearing in mind any security problems that might be raised.

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QUESTION: What are the circumstances in Louisville and does it have anything to do with the busing problems they have had there?

THE PRESIDENT: There has been some turmoil in Louisville as a result of court-ordered forced busing to achieve racial balance in the public schools, and I think all of you know that I have consistently and vigorously opposed court-ordered forced busing to achieve racial balance.

I think there is a better answer to quality education, and this problem in Louisville, at the present time, has created some local disturbances, and rather than involve any potential injury to anybody else and for other security reasons, I have decided to cancel the trip.

QUESTION: Mr. President, some of your political allies, Lee Nunn and others, have criticized Bo Callaway recently about his direction of your election campaign. They say he is too reluctant to spend money and that he has not built the kind of organization that is needed for a Presidential campaign.

My question is this: Has this criticism been conveyed to you? Do you have any plans for shoring up your campaign organization, and do you expect to retain Bo Callaway for the duration of the campaign?

THE PRESIDENT: Let me answer the last question first.

I have great faith and trust, and I fully support Bo Callaway. The criticism that I have heard -- and I understand that Lee Nunn wrote a letter to the White House. I have not seen it. I have heard about it. Lee Nunn is a very dedicated person. He is a good personal friend of mine. For various reasons, I guess he didn't fit in comfortably with the organizational structure and the decision-making process of Bo Callaway. It is an honest difference of opinion as to organization, so Lee took the step that he did.

I certainly will examine his comments and criticisms and will bear them in mind as we proceed ahead.

QUESTION: I have a follow-up. Specifically, do you have any plans for improving your campaign organization, or are you satisfied with Mr. Callaway's organizing effort?

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THE PRESIDENT: I think we have a very, very good campaign organization, and if you will go around the States, we have an excellent one in California. We have an outstanding one in Illinois. We have a good one in Michigan.

We are putting together a first-class one in Pennsylvania. New York State is in excellent shape. In my judgment, we have established in many, many States excellent organizations. I think we are really moving exceedingly well in the nomination process.

Bo Callaway has worked hard. He has done a fine job. Our organization, with a few exceptions, is in good shape, so I have no specific plans to make any substantial changes.

QUESTION: Mr. President, if I might, the Associated Press today reported that the President Ford Committee has taken in \$700,000 for your campaign. The story also says that one-third of that money came in the form of the maximum \$1,000 check. Most of the rest, almost all of the rest, came in the form of very large donations of checks over \$250 or more. Many of those donations came from corporation executives, bank presidents, real estate offices and so on.

So, my question is: Does this confirm the allegations of your critics that your Administration is overly friendly with big business?

THE PRESIDENT: Nothing could be sillier. The net result is that people who want to contribute, contribute voluntarily, and I welcome those contributions. I can assure you that we are going to get a very broad-based contribution from many, many people all over the country, and there is just nothing to it. It is a silly accusation.

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QUESTION: Along that line, a report published this week says the new political director of your campaign ran a school for dirty tricks several years ago -- displaying wiretap equipment, teaching campaign workers to make phoney telephone calls to disrupt the opposition. Since that has never been your style of campaigning, do you intend to ask Mr. Callaway to investigate and take appropriate action if it is warranted?

THE PRESIDENT: It is my understanding that Mr. Spencer has categorically denied those charges. He is an honorable person. I believe him. And as you indicated, I have never, under any circumstances, in any of my campaigns, permitted or participated in such activities. There will be none in my campaign for nomination and for election as President and so there is just no further comment needed.

QUESTION: Mr. President, since you got back from Europe in early August, you visited nearly half of the States in the Union. You have made dozens of public appearances on the road and in many, if not most, of those public appearances have been speeches at Republican fund raising events. Yet, you and your aides have said repeatedly that none of these appearances have any relation at all to your campaign for election in 1976. Wouldn't it be a little more candid to concede the obvious?

THE PRESIDENT: As President and as a member of the Republican Party and the leader of the Republican Party, I have an obligation to try and strengthen and rebuild the Republican Party organization in many, many States. That is what I have been doing. As I recall in the various appearances before State Republican fund raising dinners, I have raised something over \$2 million, most of which goes to the State organization, part of it goes to the national organization to pay the expenses of the trip that I take to that particular community. As President and as the leader of the Republican Party, if I am asked to participate in one of those meetings, I am glad to do it because I firmly believe that the strengthening of a State organization is very helpful for all Republican candidates including the candidate for President. I think that is a part of the function that I have as head of the Party.

QUESTION: Nevertheless, Mr. President, don't these appearances at these fund raising events inevitably have some favorable impact on your candidacy?

THE PRESIDENT: I wouldn't necessarily say on my candidacy, I hope on my election.

MORE

QUESTION: Mr. President, a two-part question: Is there any delay in the formal announcement of our negotiations with the Soviets on the wheat sale and, as a companion question, are we also negotiating with the Russians on the sale of their oil at a favorable price to us?

THE PRESIDENT: We have coming out tomorrow, I think at 3:00 or 3:30, an announcement as to the status of our wheat, corn, soybean crop reports. When we put on the temporary suspension of the sale of these commodities overseas to the Soviet Union and to others we said we would await that crop report. As soon as we get that report I presume there will be some announcements as to further sales to one or more countries.

Now we are negotiating right at the present time with the Soviet Union for a five-year sale of grain of an annual amount which is very substantial with an option, perhaps, for them to buy more. It will be a very good agreement if some of the final details are worked out.

At the same time, there are some negotiations going on involving the purchase by the United States of Soviet oil. Whether or not the two will be tied together is not firmly decided yet. We are more likely to have one announced and then continue negotiations on the other but, on the other hand, it is possible that we will be successful in both.

QUESTION: Mr. President, will the price, do you hope, be lower than the established price by OPEC?

THE PRESIDENT: Well, as far as grain is concerned, of course the Soviet Union will buy our grain in our open American markets at the market prices. You don't buy in an open market in the Soviet Union; you pay what the Government decides.

Now we hope that in the negotiations we can negotiate a favorable price, but we have not concluded those negotiations at the present time.

MORE

QUESTION: Mr. President, in Knoxville earlier this week you were asked by an interviewer for your thoughts on your son's use -- or saying that he smoked -- marijuana, and you said that you admired his candor, but you sort of stopped there.

I was just wondering, Mr. President, could you tell us what are your thoughts about young people using marijuana?

THE PRESIDENT: I disapprove of young people using marijuana. I believe the preponderance of the evidence so far is that it is not a healthy habit to have. I personally disapprove of it, and on the other hand, I think it is a very honorable thing for a son to frankly admit that on a very limited basis had done so.

As I said in Nashville, (Knoxville) all of our children have been brought up to be honest with their parents and honest otherwise, and I respect them for that and I hope they continue that very fine trait, but I repeat, as far as I am personally concerned, I do not approve of the smoking of marijuana.

QUESTION: Mr. President, to return to New York City for a moment, Secretary Simon --

THE PRESIDENT: My wife is up there tonight.

QUESTION: I hope she has a good time, sir.

Secretary Simon and Chairman Burns have testified that if Congress does decide to do something to help New York, it should contain tough provisions to make sure that New York City balances its budget and to discourage other cities from following the Federal route.

Should legislation come to you containing these tough provisions, might you then consider it?

THE PRESIDENT: I always consider any legislation passed by the Congress, but I certainly have to look at the small print on any legislation that is aimed at bailing New York City out when their financial or fiscal record has not been a good one.

As I recall, what Chairman Burns said the other day in testimony, that if a city came up with a balanced budget and if a State guaranteed to provide necessary revenue to keep that in balance, and if there was a long-time responsible fiscal policy, then he would recommend such legislation.

If you have all of those factors -- a balanced budget, the State guaranteeing the payment of the money by additional State taxes, and the other factor -- it hardly seems needed or necessary for the Federal Government to get involved.

QUESTION: Well, sir, the only question is the short-run and Congress is thinking of coming up with something to help New York over the short-run. If all of these other elements were there, might you support some help in the short run?

THE PRESIDENT: I do not think it is a healthy thing for the Federal Government to bail out a city, and I mean any city, that has handled its fiscal affairs as irresponsibly over a long period of time as New York City has. Now, I have great sympathy for the people of New York, the 6 or 8 billion people there. They have a terrible program. Their Government expenditures are out of control. Unless they come in with a balanced budget, unless they get some State aid from the State of New York by some means or other, I just am very reluctant to say anything other than "no" until I see the fine print, until I see what New York City has done.

It is interesting to note that the Big Mac Committee has turned down Mayor Beame's program as being not sufficient. So it hasn't gotten by the State yet much less come back down to Washington.

QUESTION: Mr. President, we hear you make lots of speeches about your determination to hold inflation down. I wonder if you could tell us why you signed a bill that gives Congress a vested interest in inflation and ties their salaries to the cost of living index?

THE PRESIDENT: Well, I think you know, Mr. Beckman, that instead of recommending that their salaries be increased to 8.66, I recommended that their salary increases be limited to 5 percent. I think that is responsible action on my part.

QUESTION: You don't find any problem with their salaries being tied to the cost of living?

THE PRESIDENT: I think that Judges, I believe that top officials in the Executive Branch and Members of Congress who haven't had a pay increase for six and a half years ought to get a cost of living pay increase. But I decided to make it 5 percent rather than 8.66 percent.

QUESTION: Mr. President, were you surprised by the Congressional vote to override your veto of the school lunch bill?

THE PRESIDENT: Not at all because it had a very fine label and the facts were not sufficiently exposed to the public interested in writing the Congress that they ought not to override. As you well know, my proposal took as good care of the children who need free lunches, if not better than the bill that was passed by the Congress. The only difference between the Congress and myself was the Congress said that free lunches could be paid by the Federal Government for families that had an income of \$9,770. I don't think that the taxpayers as a whole ought to subsidize with free lunches families who have that kind of income.

QUESTION: Mr. President, was the veto useful then for the sake of making that point?

THE PRESIDENT: I hope so.

QUESTION: Mr. President, you have taken a number of political positions which are attractive to the conservative members of the Republican Party. I refer to tax and to the veto of social programs -- New York.

Is it your campaign strategy to keep to the right in your own party until after New Hampshire and Florida and then move back to the center when you are running against the Democrat?

THE PRESIDENT: I think if you look at my total record since I have been President, and certainly while I was in the House of Representatives, I was in the middle of the road both in domestic action as well as in foreign policy, and I intend to stay there.

I think it is the area where most Americans agree. It has been my record for 27 years in politics, and I don't intend to deviate for any temporary political advantage.

QUESTION: Mr. President, there has been talk about the great difficulty of combining the tax cut with the Government expenditure ceiling in one package and we asked Mr. Greenspan and Mr. Simon and they say, well, that is up to Congress.

Well, you are an expert in that subject as a former House Minority Leader. What would you suggest along that line?

THE PRESIDENT: Well, I would suggest to the Congress that they go back to December of 1967 where they will find that Congress for the next fiscal year passed a spending limitation and at the same time took action on taxes, and I would suggest they go back to June of 1968 and they will find that the Congress passed a spending limitation at the same time they considered a tax measure for the next fiscal year. They would learn from history and from precedents that it had been done.

If this new Congress, this reform Congress, can't use enough imagination to put together a tax reduction and a spending limitation, I think the American people ought to know about it because other Congresses have done it. And the American people believe in a tax reduction and a spending limitation, and I can't imagine Congress not having enough imagination to combine a spending limitation and a tax reduction. If they don't, there ought to be some changes up on Capitol Hill.

MORE

QUESTION: Mr. President, your Agriculture Department people had indicated earlier this week that they would have this week your food stamp proposal. Well, they didn't.

Now there are reports that there is conflict within your Administration on this, that your people just can't get together. We understand the proposal won't be ready now until the Congress comes back from its recess. What is the story?

THE PRESIDENT: Well, Congress just left, or is just about to go on a 10-day recess and even if we had sent our food stamp control legislation up, there would not have been any Member of Congress here to consider it, so we are going to send it up the day that Congress returns from their recess and will have done some preliminary work with certain Members of Congress.

We have been working with Senator Buckley and with Congressman Michel, who are the authors of a very fine food stamp reform bill. So when we send ours up the day Congress comes back from recess, there will be ample time for the House and Senate to consider it.

QUESTION: Sir, can you give us a preview of what is in it and what you are trying to accomplish?

THE PRESIDENT: Yes. We are trying to save at least a billion dollars a year in the present food stamp program. What we are trying to do is to give more benefits in the food stamp program to those people who need them and to take away the benefits from people who don't need food stamps, and that legislation, which I am going to recommend, will save at least a billion dollars. It will do away with most of the abuses in the food stamp program, and I certainly hope the Congress does something about it.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all very much.

END (AT 8:30 P.M. EDT)

#20
10/10/75

PRESS CONFERENCE NO. 20

of the

PRESIDENT OF THE UNITED STATES

4:15 P.M. EDT
October 10, 1975
Friday

Room 2001-B
Cobo Hall
Detroit, Michigan

THE PRESIDENT: Mr. Barnes, members of the Detroit Press Club, and guests:

A very short announcement at the outset:

As most of you know, the United States had requested last month that the Government of Poland refrain from additional purchases of U.S. grain until the October crop report. Because today's crop report contains, as we expected, an excellent crop forecast, I have today authorized that Poland be notified that it may now resume purchases.

We anticipate that their purchases will be spread out over a period of time. With respect to future grain sales to the Soviet Union, both for this year's crop and for the long-term contract, negotiations are continuing, and we hope to conclude an agreement in the very near future.

Secretary Butz will be holding a briefing in Washington at 4:30 p.m., going over the crop report and the Polish grain sale.

With that announcement, the first question from Mr. Clark Hallas.

QUESTION: Mr. President, have you urged Governor Milliken to run for the Senate seat to be vacated by Senator Hart?

THE PRESIDENT: I have not urged Governor Milliken to run for the Senate seat. Governor Milliken, I think, has to make that judgment or that decision himself.

There are already some announced, or tentatively announced, candidates, and it seems to me that that is a decision for the Governor to make. He knows the situation better than I.

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QUESTION: Would you welcome his entry into the race?

THE PRESIDENT: I think Governor Milliken has been an outstanding Governor. I think the State of Michigan has been most fortunate to have him as our Governor, but I think this is a decision that Bill ought to make himself, and I ought not to get involved.

QUESTION: May I ask you one more question?

THE PRESIDENT: Sure.

QUESTION: Has your Administration, or does your Administration plan to take any action on the "Move Detroit Forward" plan?

THE PRESIDENT: We have directed every Federal agency that would have any relationship to the "Move Detroit Forward" program to cooperate to the maximum, and there are a number of Federal agencies that do have money under their various categorical and block grant programs.

At the moment, I don't think it is feasible to go beyond what they can do within appropriations, and if they do that, there will be a substantial amount of money made available.

We are doing it as expeditiously as possible. But, at this time, I don't think we should make any commitments beyond what is authorized in the various appropriation acts.

QUESTION: Mr. President, with each passing week it would appear that the prospects for a Washington summit this year with Chairman Brezhnev become dimmer and dimmer, and I wondered if you could offer us any evidence to the contrary?

THE PRESIDENT: We have been in contact, of course, with the Soviet Union. In fact, our technical negotiators are trying to work out some of the answers to the various technical problems that have really been resolved and we are in agreement on.

There are some differences. We are continuing to explore ways to reconcile those differences, but at this moment, we are not in a position to make any announcement as to a set time when such a meeting between Mr. Brezhnev and myself will be held.

MORE

QUESTION: Jim Harrington, WXYZ-TV.

Mr. President, the Democrats in Congress and the leaders have challenged you to be specific about what cuts you would make to match that tax cut. Could you enumerate some programs that you think could stand some trimming, and would, of necessity, aid to cities like Detroit be included?

THE PRESIDENT: I had the Office of Management and Budget put together for me over a period of several months areas in the Federal budget where we might make some reductions and they submitted to me a book about that thick and there are many more options than the \$28 billion that I think ought to be cut out of the growth of Federal spending -- and I emphasize growth -- because even with a \$28 billion reduction it means that there will be an increase over the anticipated expenditures for this fiscal year of, roughly, \$23 to \$25 billion.

So it is not a cutback in actuality, it is a cutback in growth and we have a number of target areas, and I am going to analyze those and find a sufficient number to come within the \$28 billion reduction so we can have a comparable tax cut. But let me give you several just as examples.

I believe that the f/od stamp program can be substantially reduced. There are many, many illustrations of abuse -- many, many illustrations where people have been paid where they didn't really qualify, the error rate is very high. I am going to submit as soon as Congress comes back from their fourth or fifth recess (Laughter) reductions at least that will save a billion dollars in this area.

Now, in addition, we think that there are some areas in the medical field again where there have been many, many abuses. Costs have escalated unbelievably in the medical field where the Federal Government makes payments. We think that there can be a tightening up in this area. Those are two, I think, very good illustrations where I think there can be a cutback in the growth of Federal spending.

MORE

QUESTION: Mr. President.

THE PRESIDENT: Helen, how are you today?

QUESTION: I think we can both remember a time when this city was not known for its homicide rate and recently the head of the Secret Service and several police chiefs of several metropolitan areas have testified that if there was a total ban on the manufacture, sale and use of handguns across the board that crime would be really seriously reduced. At what point do you think you could ever come to this kind of thinking?

THE PRESIDENT: Helen, as soon as I am convinced that the gun itself is the culprit. In actuality, it is the person who uses the gun that causes the trouble. What we have to do is to make certain that the people who use the gun are punished and if you will recall from the crime message that I submitted to the Congress several months ago, we provided for stricter legislation so that a person using a gun in an attempt or in the actual committing of a crime, that person had a mandatory sentence and went to jail. This is the way, in my opinion, to prevent the illegal use of guns and not penalize the people who are collectors or individuals who properly use guns.

I have not yet been convinced that the gun is the culprit. It is the person who uses the gun that ought to be punished for illegal purposes.

QUESTION: And you don't think there is an undue proliferation of guns in this country?

THE PRESIDENT: I did recommend that we ought to make it much more difficult to obtain what we call Saturday night specials. There is under existing law a prohibition against the importation of Saturday night specials. Under the legislation that I recommended, it prohibits within the United States the assembly or manufacture of Saturday night specials. These are the cheap handguns. If we do that, that will significantly help in the problem that we are talking about.

QUESTION: Mr. President, more than three months ago Jimmy Hoffa disappeared without much more than a trace by tracking dogs. Are you satisfied with the investigation by Federal agencies into that case or would you prefer a special select Congressional committee to look into that and into Teamster pension funds and mob connections with unions?

MORE

THE PRESIDENT: The Attorney General, who is an outstanding member of the Cabinet, the Department of Justice and the FBI are doing a maximum job in investigating any Federal relationship as far as the disappearance of Mr. Hoffa is concerned. I have full faith in the Attorney General, Department of Justice and in the FBI, and where there is any Federal connection I can assure you they will continue tracking every possible lead maximizing their effort. This is a very strange case. I don't see how any Congressional committee can undertake any criminal investigation. That is not the function or the responsibility of a Congressional committee and I think we ought to leave that responsibility with the appropriate agencies in the Executive Branch of the Government where the Attorney General and others have taken their oath of office to handle matters of this sort. I can think of one recent case where, after a period of some 19 months, they finally found the individual that they were seeking to find and, apparently, in this case the problem is very difficult but I have full faith in the ability of those who have that responsibility.

QUESTION: A follow-up question, and elaborate on it.

THE PRESIDENT: Sure.

QUESTION: Would you like to see something similar to the McClellan (McCarthy) Committee back in the fifties look into reports of mob connections specifically with the Teamsters or other unions?

THE PRESIDENT: That, of course, is a responsibility of the Congress itself, the Senate, in the case as it was back in the fifties. They could do it now if they wanted to. If you are referring to allegations that I have heard about or read about concerning the Teamster pension fund and any relation to that and how it has been handled, the Congress passed last year, I believe I signed into law, a Pension Reform Act, and under that legislation, the Executive Branch of the Government has the full right to make any investigations.

Under that legislation, those who handle the pension funds have to make very specific reports on a very short-term or periodic time and it seems to me that in that area it is the responsibility of the Department of Labor to investigate that aspect of this particular case.

MORE

QUESTION: Is that being done, sir, or do you know?

THE PRESIDENT: I am sure it is.

QUESTION: What is your prediction on the game in Lansing tomorrow?

THE PRESIDENT: Well, they are both my friends, and I like my friends. (Laughter)

QUESTION: Mr. President, I notice that former President Nixon is back in circulation with his old friends. I am wondering, given that, if you have talked to him, plan to talk to him, one; plan to see him, or if, given his interest, as expressed interest in foreign affairs, there might be a place in your Administration for him?

THE PRESIDENT: First, I am delighted to see that former President Nixon is apparently much better, feeling well. I talked to him when I was in California several weeks ago on the telephone.

He sounded better on the phone at that time, and I am very happy that his health is apparently much, much better.

I have had no request from him to participate in any way in the handling of foreign affairs. I have had no request from him to participate in the campaign. As I have said on several occasions, I run my own campaign on my own record, and I expect to do that in 1976 and, as President, I expect to conduct or handle foreign affairs as a President should, in conjunction with the recommendations of the Secretary of State.

QUESTION: If he should request to serve you in some way, would you entertain that notion?

THE PRESIDENT: I don't think I should speculate on something of that kind. He has not done it, and I have seen no indication that he might.

QUESTION: Thank you, sir.

QUESTION: Terry Murphy, WJBK-TV.

Detroit, Mr. President, has more HUD homes than any other city in the country, yet thousands of them are abandoned and rotting away. Other than Carla Hills' promised tour of this city, what else are you going to do to put people into these homes and clean up the mess?

MORE

THE PRESIDENT: It is my understanding that the Secretary of HUD has worked out an arrangement with the city officials and with the State officials, under Governor Milliken, to have a joint effort with the Federal Government committing \$5 million to purchase and rehabilitate thousands of these homes out of roughly 14,900, as I recollect.

This is a good example of what the Federal Government, in partnership with State and local units of Government, can do with these homes, where the homes have been foreclosed and the Federal Government has jurisdiction.

If we find that this program, which I understand is to be implemented in the Northwest part of Detroit, works, then I would hope we can expand it in the months ahead.

QUESTION: The program still run, though, by the Federal Government, rather than by State and local officials?

THE PRESIDENT: As I understand it, it is a partnership arrangement. I cannot tell you who actually has the specific jurisdiction, but it is a partnership where the Federal Government not only has the legal title under foreclosure of the homes, but the Federal Government is putting up \$3 million this year and \$2 million next year for the rehabilitation of 1,000 homes. I understand they are in the process of actually implementing the program for about 250 right at the present time.

QUESTION: Mr. President, I am wondering why you removed the embargo on the Poles and not the Russians? You said the crop report, after all, was excellent, but you said you have to go ahead now with the Russian grain deal, you have to have negotiations on that.

The farmers would like to go ahead and get this money now and worry about a long-term, five-year grain deal later. Why don't you just go ahead and remove the embargo now?

THE PRESIDENT: It is very important to negotiate, and you can negotiate from strength, I think, if we make certain, make positive, that we get a long-term agreement which is in our best interest in return for additional sales to the Soviet Union on the crops that they want to buy in 1975.

It is a very simple explanation. We have the grain, we want a five-year or longer term, and we want a good arrangement. I think we are coming very close. We are working very hard at it, and I think we are probably going to have some results.

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But, it is just a matter of good, old Yankee trader actions, and Yankee traders did pretty well for a long time in this country. I just think we ought to handle it that way rather than be too soft or not tough negotiators.

QUESTION: Well, in all this tough trading, are you going to make your mid-October deadline, and also, are you horsetrading for oil? Are you holding out for that?

THE PRESIDENT: We are discussing a potential oil deal that will have some favorable aspects. If it is negotiated, as far as we are concerned, that is a little more difficult. In that case, they have the commodity and we want it.

So, they have somewhat better bargaining positions in that case than we. So, as I said a moment ago, we are trying to be good, hard-nosed, Yankee traders, and when we end up with an arrangement or a negotiated agreement, I can assure you that the United States will do as well in the areas where we want help, and I think we have to expect that they will do well in those areas where they have an interest.

QUESTION: And in that October 15 deadline?

THE PRESIDENT: The October 15 deadline, it is within the realm of possibility.

QUESTION: Mr. President, Bill Willoughby, the Royal Oak Tribune.

How does the proposed energy research corporation fit into the \$395 billion spending ceiling you proposed?

THE PRESIDENT: First, you have to understand that the Energy Independence Authority is a ten-year project, and it requires a utilization of the Federal Treasury at a very, very slow pace. In fact, in fiscal year 1977, which is the fiscal year where I think they ought to set a \$395 billion ceiling, the amount of money that would be withdrawn from the Federal Treasury is minimal.

So, it really has a very insignificant impact on fiscal year 1977, which is where I recommend that the Congress establish a \$395 billion spending limit.

In the years after that, there will be a drawdown on the Federal Treasury, but I hasten to point out that we expect the EIA to end up being a money-making proposition from the point of view of the Federal Treasury.

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It is a drawdown in one year, and over the ten-year period, we expect Uncle Sam to get all, or virtually all, of his money back and, in addition, the EIA will help us significantly in the development of what we call synthetic fuels or exotic fuels, where at the present time private enterprise is not willing to take the gamble or make the risk. But nevertheless, I am convinced in some of these areas -- solar energy, synthetic fuels and other areas -- this is the only way we can do it.

Therefore, I think it is a good program, and I repeat, it will have a minimal insignificant effect in fiscal 1977 when the \$395 billion ceiling is established.

QUESTION: Why is private enterprise not willing to take the risk?

THE PRESIDENT: I think you can use one or two other comparisons. Back in World War II, when we were cut off from our rubber supplies, the natural rubber supplies, the Federal Government had to go in and develop a synthetic rubber-producing capability.

At that time, private enterprise thought the research had not gone far enough, and the need was so great that private capital was not in a position to undertake such a mammoth operation.

So, the Federal Government did, and after the war, as you may recall, after the process had been developed and was a going concern, the Federal Government sold those synthetic rubber plants to private enterprise and made a profit out of them.

This is the same concept we are talking about with EIA.

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QUESTION: Mr. President, in view of the apparent success of the negotiations with the Soviet Union involving their oil and our grain, are you contemplating or planning similar discussions with the People's Republic of China on their oil reserves and their grain either here or when you go to Peking?

THE PRESIDENT: The agenda for the prospective trip to the People's Republic has not yet been established. Secretary Kissinger is leaving for the People's Republic within the next week or ten days, as I recall. Until he comes back with the agenda, I don't think I am in a position to say what it might be.

I caution you--you used one word, Saul, that I think it is going to work but you were a little overly optimistic in relationship to grain and oil. All I can say is I am optimistic but we are dealing with some tough traders and I don't want to create the impression that it is all signed on the dotted line because we have some things we want to get and they, in return, want some things that they want and until the ink is dry on it, we're not going to make any announcement.

QUESTION: You said last night that the Federal Government cannot afford to bail out the big cities, mainly New York City. Treasury Secretary Simon and Federal Reserve Board Chairman Burns have suggested that maybe New York State might impose some taxes for one, two or three year periods to help out New York City. Can States really afford to help out these floundering big cities or can they afford not to?

THE PRESIDENT: Well, I hesitate to pass judgment on the fiscal capability of any State. I don't pretend to be an expert on State financing but I have watched with considerable interest what has been happening in New York City and its relationship to the State of New York. A month or two ago the State of New York took some action, not raising any additional taxes to help New York State out, but to rearrange some borrowing and one of the requirements was that the City of New York has to present a valid plan showing that they had straightened out their financial mess, that they had a plan that would lead them out of this terrible fiscal situation they are in. I was naturally disappointed to find that this State group or board that they established turned back Mayor Beame's tentative proposal--said it was insufficient. They had not done enough.

I think that is a good role for the State and a State ought to put responsibility and if, after the State has made an honest effort to balance their fiscal situation, to take whatever hard choices they have to make, I think the next step is for a State to assist, if they have to, in whatever legitimate way there is. I have still the same reservations I had before: that the Federal Government should police the fiscal management of all of the cities in this country. I don't believe that we should decide at Washington whether a city has run its fiscal affairs properly. That is a role for the State Governments, not a role for the Federal Government.

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QUESTION: You get some pretty big cities, though, that control an awful lot of money and corporations having their headquarters in these cities. If they die, there is going to be some problems.

THE PRESIDENT: There is no reason why they should die. Let's take the City of New York. Their annual budget is, roughly, \$12.2 billion. The Federal Government today contributes \$3 billion 400 million to New York City's total revenue, roughly 25 percent. It would seem to me that the city with good management could find a way to supply the rest of the revenue, and we do almost the same thing to most cities but in the case of New York, I know precisely what the facts are and the City has some responsibility and if we start managing -- what is it, 10,000 cities throughout the country, I think that is the wrong role and responsibility for the Federal Government. The people who vote in New York City ought to elect the kind of people to public office who will handle their local taxes and the money that comes from the Federal Government properly, and if they don't elect those people, I don't see why that burden should fall on the other 200-some million people all over the United States.

QUESTION: Thank you.

QUESTION: Mr. President, you have said several times that you don't intend to make Congress the main target in your campaign for election in 1976 but today your Press Secretary, Ron Nessen, said you are now referring to Congress as the "can't do" Congress and that sounds very much like a campaign slogan to me. And I wonder if you have changed your plans and now plan to make Congress the whipping boy in your campaign?

THE PRESIDENT: Well, I am just being objective about their record. (Laughter) And I casually said at our meeting this morning with Mr. Nessen--we were ticking off the things that Congress has not done--and I casually said that sounds like a "can't do" Congress.

What haven't they done? They have not passed an energy program and I recommended it to them in January of 1975 -- nine months. They first said "give us sixty days and we will pass it" and then they said a few more months and we will pass it and another few months -- it has been nine months and they have not passed an energy bill. Apparently, they can't do it. After I announced the \$28 billion tax reduction and a \$28 billion cutback in the growth of Federal spending, all I heard from Congress was, "We can't do it. The rules of the Congress won't permit us to do it."

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And then they had a lot of other alibis. Well, their plaintive plea was, "We can't do it." Now I cited, as you know, Mr. Barnes, last night two instances -- one in 1967, one in 1968 -- where those Congresses did do it and all they have to do is go back and look at their history books, the Congressional Record, and they will find it can be done. I hasten to add, and very seriously, this Congress is called, or was called, a reform Congress -- they reformed a lot of other rules.

Now, it would seem to me to satisfy the legitimate desires of the American people that they get a \$28 billion tax reduction and get a reduction in the growth of Federal spending, that this Congress of 535 elected people ought to find a way in the parliamentary situation to respond to the desires of the American people. It takes a little imagination. It takes a little effort. Instead of whining and whimpering, as Ron Nessen said, they ought to get out there and do the job.

QUESTION: Is that a slogan you are going to be using, though, about a 'can't do Congress'? (Laughter)

THE PRESIDENT: Well, as soon as they pass a tax reduction of \$28 billion and a reduction in spending growth of \$28 billion, we will stop using the term.

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QUESTION: Mr. President, the name is Mitch Kehetian of the Macomb Daily.

In our county, and in counties across this State and Nation, again we have local elections coming up next month and again the local candidates are talking about forced busing. Others say it is rhetoric, but just several weeks ago you yourself reaffirmed your position opposed to forced busing.

We hear it in Congress, we hear it on Capitol Hill, we hear it in Lansing, we hear it in Macomb County, Oakland County, yet the buses keep rolling and the judges keep ordering more buses.

Could you tell me what I can go back and tell our readers in Macomb County as to what the truth is on the question of busing? Is it rhetoric, or are they coming?

THE PRESIDENT: We have a Constitution, and the courts have the obligation to interpret the Constitution, and the court, back in 1954, made the basic decision, which in effect has precipitated the numerous court decisions that result in court-ordered, forced busing to achieve racial balance in public school systems.

They allege that this is the way that the courts ought to achieve quality education. I strongly, vehemently disagree with the court's decision, based on the Constitution, as the best way to achieve quality education.

I have had that view for ten years or more.

Until the courts decide that there is a better way to achieve quality education under their interpretation of the Constitution, there is nothing that a President can do, there is nothing that the Congress can do, except what the Congress did a year ago under the leadership of Congressman Marv Esch, who introduced an amendment in the House of Representatives, which was passed and approved in both the House and the Senate, which listed seven or eight steps to achieve the Constitutional handling of how to achieve quality education, and the last of that criteria was busing.

Unfortunately, few courts, few Federal courts, have followed the guidelines of the Esch amendment. I wish they would. But, until the court either uses that criteria, or changes their way in which they want to Constitutionally achieve quality education, there is nothing a President can do, and not much more than a Member of the House or Senate can do.

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I think it is deplorable, I think it is the wrong answer, and I just hope that the judges will use in their wisdom a way to find a better answer to what is going on at the present time.

QUESTION: Thank you, Mr. President.

THE PRESIDENT: How are you, Mr. Irwin?

QUESTION: Mr. President, when you spoke, sir, of Congress using its imagination in developing a way to respond to your tax cut proposal, did you have in mind the possibility of a nonbinding resolution that would set them on a course as an interim step?

THE PRESIDENT: Mr. Irwin, I have no intention of recommending a nonbinding resolution establishing a spending ceiling of \$395 billion, which is \$25 billion above what the ending figure is for the present fiscal year. I want the Congress to put a little meat on the bone. I want the Congress to do something in a meaningful way.

Congressman Del Latta of Ohio, a very senior Member of the House of Representatives, introduced the day before yesterday a resolution which is a binding resolution, and I hope and trust that when the Congress returns they will approve the Latta amendment or the Latta resolution, which does put a firm ceiling of \$395 billion, which is roughly \$25 billion more than we will spend in this fiscal year, but \$28 billion less than the projected spending for the next fiscal year. I want something meaningful, not a lot of verbage.

QUESTION: Thank you, Mr. President.

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QUESTION: Terri Jones, WJPR-TV.

Mr. President, families in Detroit and around Michigan are still suffering from massive layoffs. There is a bill that is currently under consideration, bill H.R. 7887, that would give food stamp applicants food stamps immediately upon application without waiting for the qualifying period and then, if found ineligible, they would be cut off.

What is your reaction to that bill?

THE PRESIDENT: I believe that there should be a determination as to a person's qualification. There is too much room for abuse. That program has had more abuses per capita than any other welfare or any other program that I am familiar with in the Federal Government.

Under the proposal that I am going to submit when Congress returns, it will add benefits to the people who need food stamps, but it will take a substantial amount away from, or eliminate a lot of, people who don't need food stamps.

The net result will be a minimum reduction in the overall cost of about \$1 billion plus.

Speaking of the food stamp program, five or six years ago, when it got started, it cost about \$30 million a year. The present cost on an annual basis of the food stamp program today is almost \$7 billion. It has had the greatest growth in dollars of any program in the Federal Government in the last few years because they have had too many abuses, and the program you speak of, in my opinion, opens the door to more abuse.

People who should qualify can qualify and can get the benefits, I think, expeditiously, and even under that present set-up, the abuses are horrendous. So, I think we ought to tie it down, give more to the needy and less to those that should not qualify.

QUESTION: Mr. President, I have a two-part question involving Governor Reagan..

There are some reports in the past few weeks that are confusing. One report one time will say that you have managed to blunt Governor Reagan's conservative attempt, and then a few days later we have a report that your campaign organization is in disarray and that your people are really worried about Governor Reagan.

I would like to know if you are really worried about Governor Reagan challenging you for the Presidential nomination?

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THE PRESIDENT: Phil, I am not worried about any Democrat or any Republican competitor. I expect to be nominated, and I think the prospects are excellent to be elected President in 1976, and I don't sit around worrying about any competitor, whether it is Republican or Democrat.

We are going to run our own campaign. I think we will have a good record to run on, on foreign policy and domestic policy, and I will take my chances on that record. I am not going to worry about what some other candidate does, whether it is a Republican candidate or any one of 20 Democrats.

QUESTION: Senator Goldwater has been quoted as saying that he might support Governor Reagan for the nomination rather than you. What is your reaction to this, or do you think it will have any effect on your nomination?

THE PRESIDENT: Senator Goldwater is a very close, personal friend of mine. I admire his record in the Senate. I saw the report. It is a newspaper story. I have heard nothing --

QUESTION: What do you mean by that? (Laughter)

THE PRESIDENT: Well, it speaks for itself.
(Laughter)

-- and until I hear that there is a change from what I think the attitude is of Barry Goldwater, I am not going to comment about it.

QUESTION: Mr. President, Dennis Pajot of the Oakland Press.

Back here, we hear a lot of concern about unemployment and a lot of talk about your record of unemployment as the election year comes up. We understand that one proposal by Congress to address unemployment would be to increase Federal funding for public works.

I was wondering if you would veto such a program?

THE PRESIDENT: If you are talking about the \$5 billion program, which I understand is somewhere in the House of Representatives, based on what we know about those kinds of programs in past years of economic disability or difficulty, I believe that it is uneconomical, it won't solve the unemployment problem, and the probability is I would veto it.

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We find, and this has been done historically, that if you have unemployment in one year and take the kind of program you are talking about and approve it, you are out of the recession or you are over your economic difficulties before you put any number of people back to work.

It just takes a long time. If we are going to do anything in this area, I think we ought to expedite our highway construction program, our water and sewer pollution programs, which are going programs that are in the bill. But, to take the program I think you are referring to, I think the help would come much too late and it would not provide for the kind of meaningful things that we could get from EPA.

QUESTION: Is that just that program or any Federal funding for public works?

THE PRESIDENT: If you will recall, back early last fall I met with ten or 12 Governors, and at their request, I did approve an extra allowance of \$2 billion for highway projects that could be initiated by June 30.

That program was in a going program where they had projects that were ready for contracts to be let. I did that. We have been trying to expedite the Environmental Protection Agency programs for water and sewer projects.

Those are the kinds of projects that have specific meaning and can be gotten underway quickly, rather than pulling projects out of a grab-bag, which I understand is what the legislation involves that I believe you mentioned.

QUESTION: Mr. President, you said last night that the tax program has as one of its central purposes, if I understood you correctly, building more equity into the tax system as it applies to individuals.

If that is the case, would you explain why it is equitable to give a tax cut of slightly more than \$300 to people with incomes of \$50,000, and to take away the tax credit of \$300 for those whose incomes are \$5,000 or less?

THE PRESIDENT: What you are talking about, Mr. Naughton, is that in the 1975 Tax Act, Senator Russell Long got the Senate to approve what is called an earned income credit, and in effect, that was not a tax reduction. It was paying people who didn't pay taxes so that it was not a tax reduction -- they were not paying taxes anyhow.

What my proposal does is to treat that group of taxpayers just like all other taxpayers. They don't pay any more taxes, and the amount that is going to a well-off person is roughly the same in my proposal as it was in the 1975 Tax Act.

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But, where we would provide equity, we give a larger tax reduction to those people who have a family income between \$8,000 and \$25,000. This is the group that got short shrift in the 1975 Act, and this is the group that are hard working, industrious people who deserve a better break instead of getting cut short on every tax reduction.

So, I have complete faith in the way in which this tax reduction bill that I am proposing is handled.

The poor pay no more taxes than they were required under the 1975 Act. The very wealthy get no more tax reduction. But, the middle-income people are the ones who will be the biggest beneficiary and get a larger tax reduction, as they should, under my tax proposal.

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QUESTION: Bill Black, WJR News.

Mr. President, despite recent improvements in the economy, one of four in the Detroit area are still out of work, some for more than two years. One, what would you say to those who have been out of work for more than two years, and, two, how much impact will unemployment and the economy have on the next election?

THE PRESIDENT: We are making headway in a good many areas in trying to eliminate unemployment. Even though the unemployment statistic has not gone down, except it went from 9.1 down to 8.3, the encouraging thing is that in the last six months we have had 1 million 600 thousand more people added to the employment rolls and the trend is going up. There are longer hours being worked. The economy is out of the recession and starting toward a better time and this is going to have an impact in Detroit in the automobile industry.

The automobile industry has responded very well to the needs in the energy program, and let me tell you how it is going to help employment. The automobile industry in the last two years has increased gasoline efficiency by 27 percent -- 14 percent this year over last year. I think the automobile industry, by responding to the needs of people, is going to have an excellent year and that will have a very good impact here in Detroit and in other automotive centers like Flint and Lansing, et cetera.

Now, we believe that there will be a continuing downward trend in the unemployment rate between now and the end of calendar year 1976. It won't be as low as we want it, but it will be going down and, furthermore, we will be making continuous improvement in the rate of inflation. I believe, with those trends -- a lesser rate of inflation, a downward trend in the unemployment statistic -- it will be a good environment politically for the right candidate.

QUESTION: Would you consider yourself a cinch next year?

THE PRESIDENT: No, I sure don't. I never enter a ball game thinking I am going to win, but I sure work at it as though I am going to lose; and I think if we do, with the programs we have, our prospects aren't bad.

QUESTION: Thank you, sir.

THE PRESIDENT: I will take one more. I am being prompted to --

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QUESTION: Mr. President, would you expand on your answer about where you think Congress should make the \$28 billion in cuts besides food stamps -- for example, in revenue sharing -- and what cuts should be made in defense spending?

THE PRESIDENT: As I said in my speech the other night, I think it was Monday night, I said that there had to be a sharing of reduced spending and I included in my remarks the Defense Department. I think they can manage the Defense Department better than they have been managing it. I think we can be harder bargainers with weapons suppliers. I think we can cut out some of the frills in the military -- frills that I don't like, that have been there just because they are there by tradition. I think we ought to cut them all out. I think that the Defense Department can run a tighter ship, and they will have to.

Thank you very much.

THE PRESS: Thank you, Mr. President.

END

(AT 5:05 P.M. EDT)

#21
11/3/75

PRESS CONFERENCE #21

of the
PRESIDENT OF THE UNITED STATES

7:30 P.M. EST
November 3, 1975
Monday

In the East Room
At the White House
Washington, D. C.

THE PRESIDENT: Good evening. Will you please sit down.

I have several announcements to make tonight.

First with respect to foreign policy and national security affairs:

You will recall that when I became President a year ago last August, I indicated that I believed it was essential to guarantee stability and continuity in the conduct of U.S. foreign policy. I made a conscious decision at that time not to change personnel in the important national security area. I have, however, made a number of significant changes in the Cabinet in the domestic area. We have now successfully reassured our allies that the United States will stand firm in the face of any threat to our national interest and convince potential adversaries that America will aggressively seek out ways to reduce the threat of war.

Therefore, I am tonight announcing several personnel changes which I believe will strengthen the Administration in the important area of national security affairs.

I intend to nominate Donald Rumssfeld as my new Secretary of Defense. Don has served with distinction as a Congressman from Illinois, Director of the Office of Economic Opportunity, Director of the Cost of Living Council, and as Ambassador to NATO.

For the past year he has been my senior White House Assistant and a member of my Cabinet. He has the experience and skill needed to help our country maintain a defense capability second to none.

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The Nation owes Secretary Schlesinger a deep debt of gratitude for his able service to his country as Chairman of the Atomic Energy Commission, Director of the CIA and as Secretary of Defense.

Henry Kissinger has been serving with great distinction and success as Secretary of State and as my Assistant for National Security Affairs. Secretary Kissinger will relinquish his post as Assistant to the President to devote his full time to his important responsibilities as Secretary of State.

Brent Scowcroft, who has been serving ably for three years as Deputy Assistant at the White House, will move up to Assistant to the President for National Security Affairs.

For the past year George Bush has been U.S. Representative to the People's Republic of China. He has served with great skill as a Congressman and as Ambassador to the United Nations. It is my intention to nominate Ambassador Bush to be Director of the Central Intelligence Agency. The CIA is one of our Nation's most important institutions. In recent months it has been the focus of some controversy. During this difficult period, Bill Colby, as Director of the CIA, has done an outstanding job of working with the Congress to look into and to correct any abuses that may have occurred in the past while maintaining an effective foreign intelligence capability.

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Mr. Richard Cheney, who has been serving effectively as Deputy Assistant, will replace Don Rumsfeld as Assistant to the President, and will take over his responsibilities for coordinating the White House staff.

In a separate area, I have one additional personnel announcement to make.

Some weeks ago, Secretary of Commerce Rogers Morton indicated to me that after the first of the year, he would like to reduce the pace of his activities and resign his current position to return to the private sector. Rog Morton has served with great distinction in the Congress, and in two Cabinet posts for the last five years.

He has earned the respect of Americans everywhere. He has been a long and close personal friend. I am deeply grateful for his valuable service, and I will be calling on his assistance in the future.

Elliot Richardson will be nominated to become Secretary of Commerce. An able former Secretary of Defense, Secretary of HEW, and Attorney General, Mr. Richardson is presently serving as our Ambassador to Great Britain.

I know he will do an important job in his new assignment. I hope that the Senate will move rapidly to confirm my nominees for those positions which require confirmation.

Now, to the questions.

Mr. Growald?

QUESTION: Thank you, Mr. President, for your rundown on the personnel changes.

There has been one other personnel change, or a suggested change today, and I wonder if, in your estimation, Mr. President, has the Vice President, by his action today, sacrificed himself on your political behalf, and have you in any way urged him to do so?

THE PRESIDENT: The decision by Vice President Rockefeller was a decision on his own. He made the decision and delivered to me personally the letter that has now been published.

The Vice President has done a superb job, and will continue to do so in the months ahead. But, under no circumstances was it a request by me. It was a decision by him.

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QUESTION: Thank you, Mr. President.

A follow-up question. Would you accept Governor Reagan or former Governor Connally as your running mate next year?

THE PRESIDENT: We have a long time, many months, to discuss and to think about that matter. I will give it my closest attention as to my running mate, but we have got lots of time, and we will think about all of those alternatives as we move ahead and try to do the business of the Government.

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QUESTION: Mr. President, have you any commitment in your conversations with Governor Rockefeller that he will support you in 1976 or might he conceivably go out and seek the job himself?

THE PRESIDENT: Vice President Rockefeller has assured me categorically that he will support me in 1976.

QUESTION: Mr. President, we are told that not only have there been personnel changes in the area of foreign policy and national security matters but the decision-making process has been altered as well, that Secretary Kissinger will now have to share access to you on a regular basis with the new Defense Secretary and with Mr. Bush of CIA. That leaves a very strong impression that Secretary Kissinger's influence in both these fields has been substantially reduced. Is that a correct impression?

THE PRESIDENT: Let me state affirmatively that Secretary Kissinger has done a superb job as Secretary of State and as my Assistant for National Security Affairs. He will continue to handle the responsibilities of a foreign policy which I think has been not only successful but in the best interest of the United States.

There will be organizational changes, as I have indicated, and there will be closer liaison and cooperation as is necessary as we move ahead, but Secretary Kissinger will have the dominant role in the formulation of and the carrying out of foreign policy.

QUESTION: Mr. President, could you tell us why Mr. Schlesinger and Mr. Colby did not fit on your new team?

THE PRESIDENT: I think any President has to have the opportunity to put together his own team. They were kept on when I assumed office because I wanted continuity but any President to do the job that is needed and necessary has to have his own team in the area of foreign policy. I believe the team that I have assembled, as I have indicated tonight, will do a first class job.

QUESTION: Mr. President, there are reports, though, sir, that Secretary Schlesinger was in conflict with your attitude on detente and with Secretary Kissinger's. Can you address yourself to that?

THE PRESIDENT: There were no basic differences. I wanted the team that I selected and as President I think it is important that a President have that kind of a team on an affirmative basis, and I have it.

In Secretary Kissinger and in Don Rumsfeld and Brent Scowcroft, I put it on the affirmative side that they are my choices and that we can work together effectively to carry out an effective foreign policy.

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QUESTION: Mr. President, you have said many times that Vice President Rockefeller along with you made a team that was one you liked and that you said there was no reason to break up that team.

What I want to know is, did you urge him not to withdraw from the race for the Vice Presidential nomination?

THE PRESIDENT: The Vice President came to me and indicated that what he said in the letter was his decision and I accepted it.

QUESTION: One other question on the Vice Presidential race. Does the nomination of Donald Rumsfeld as Defense Secretary and the nomination of Mr. Bush as CIA Director, does that eliminate them as Vice Presidential running mate possibilities?

THE PRESIDENT: They are first class public officials. They have important responsibilities. I don't think they are eliminated from consideration by anybody -- the delegates to the convention or myself.

QUESTION: Mr. President, would you be more specific and tell us exactly how the appointment of Mr. Rumsfeld and Mr. Bush to the new posts will strengthen your team in the area of foreign affairs?

THE PRESIDENT: Well, I have indicated that Secretary Bush or Ambassador Bush had been an Ambassador at the United Nations for two years. He has been in China for better than a year. He is a man of experience in public life as a Member of Congress, and Don Rumsfeld has had excellent service in the Congress. He has been in the White House for 14 months. He was in NATO. Don Rumsfeld has experience and the kind of working relationship with me that I think will be very helpful.

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QUESTION: Mr. President, I would like to follow up.

Does this have any specific implication for policy?

THE PRESIDENT: I have indicated that in my judgment we have been very successful in the execution of foreign policy on behalf of the United States. We have achieved great success in the Middle East. We strengthened NATO. We have continued our relations on a good basis with the People's Republic of China. We are working with the Soviet Union in certain areas to relieve tension.

The foreign policy of this country is in good hands, but I wanted a team that was my team, and this team of Kissinger and Rumsfeld, Bush and Scowcroft, gives to me the kind of team that I think can carry out and execute a continuing successful foreign policy.

QUESTION: Mr. President, Secretary Schlesinger has expressed publicly some apprehension about detente, and I wonder if you can give us some assurance that the United States is getting at least as much out of it as the Soviet Union is?

THE PRESIDENT: Let me assure you that my record in the Congress, and as Vice President, and as President, has been one of strength in national security affairs, in international relations. I believe that in our attempt to ease tensions between the Soviet Union and the United States, we have achieved a two-way street.

I believe that the policy that I will follow, the team that I have, will continue that policy in the future.

QUESTION: Mr. President, would you expect, sir, that the Central Intelligence Agency, under Ambassador Bush's tenure, would continue to have the same relationship with the Congressional investigation as during Mr. Colby's period in office?

THE PRESIDENT: The Central Intelligence Agency will continue its policy of notifying the responsible committees in the Congress as to developments. They have done it in the past. They will continue it in the future.

I can see no change in the relations of the Central Intelligence Agency with the Congress under Mr. Bush different from what they have been under Mr. Colby.

MORE

QUESTION: Specifically, sir, has the Church committee continues its investigation, your instructions to Mr. Bush would be to cooperate fully with that investigation?

THE PRESIDENT: I have given that word to Mr. Colby. He has carried it out in a very responsible way, and Mr. Bush will continue that policy.

QUESTION: Mr. President, how do you make a high-level personnel shift of this kind, such a fast shift? Did you ask for suggestions, or did you do this largely on your own?

THE PRESIDENT: I did it totally on my own. It was my decision. I fitted the pieces together, and they fitted excellently. It was my decision.

MORE

QUESTION: With Mr. Rumsfeld, who is involved in your decision, would he have had any in-put into the overall decision?

THE PRESIDENT: He did not.

QUESTION: Could you tell us, Mr. President, when you and Mr. Rockefeller first discussed his withdrawal and what reasons he gave you for it other than what he stated in his letter?

THE PRESIDENT: The letter speaks for itself. I don't think I should amplify it and the accompanying statement, which was agreed to between him and myself indicates our personal views. I don't think we have to go beyond the letter or the joint statement.

QUESTION: Mr. President, will these changes that you have made, do you feel, give you a more directly responsive intelligence community than you have had hitherto. In other words, do you feel your putting Mr. Bush and Mr. Rumsfeld in these two important positions give you a more direct control over the intelligence community than it has been previously?

THE PRESIDENT: Mr. Bush and Don Rumsfeld are long personal friends of mine. I have known of their fine record. I have an excellent relationship with them. I am certain that they will contribute very significantly and these are my guys and the ones that I wanted and I hope and trust that their confirmation will be quick in the United States Senate.

QUESTION: Mr. President, when do you expect to fill the vacancies -- the Ambassadorship vacancies -- in London and Peking, and do you plan any further changes in your campaign committee?

THE PRESIDENT: We have not addressed the questions of replacements for Mr. Bush or Mr. Richardson and I have no specific changes in mind at the President Ford Committee. In due time there will be a person to succeed David Packard.

QUESTION: There will be no change at the top, sir -- Mr. Callaway?

THE PRESIDENT: I have indicated what the changes are.

QUESTION: Mr. President, the Pentagon and Secretary Schlesinger have been less than enthusiastic about the Administration's SALT policies. Can we expect to see an acceleration toward an agreement now that this power shift has occurred?

THE PRESIDENT: The Defense Department, with Secretary Schlesinger and the others, were very forthcoming and very strong in endorsing the agreement that I reached at Vladivostok. They wholeheartedly agreed with the decision that were reached there. We expect to continue to pursue, but not under any pressure, negotiations with the Soviet Union in strategic arms limitations. We have differences. But I think it is in the national interest for us to continue to work toward a SALT II agreement. We are under no time pressure to do so.

QUESTION: But do you see the possibilities for a second-stage agreement, then?

THE PRESIDENT: I think it would be in the national interest if we can get mutual concessions by the Soviet Union on the one hand and by us on the other.

QUESTION: Mr. President, if you were Mr. Brezhnev, how would you analyze the removal of an American Secretary of State who is known for his advocacy of a strong national defense, possibly a stronger national defense, than his rivals in the bureaucracy?

THE PRESIDENT: I think you misstated Secretary of State at the outset.

QUESTION: Right.

THE PRESIDENT: Let me say very emphatically there is no one in this Government more emphatic for a strong national defense and the maintenance of our own national security than myself, Secretary Kissinger and Don Rumsfeld, and many others who I could mention by name.

From the top on down, we believe in strong national defense, and we have sought to implement it, and we need some more help in the Congress. I won't speculate on what Mr. Brezhnev might feel concerning these changes.

QUESTION: Have you possibly been in contact with him directly or indirectly to explain what they mean, to leave no misunderstanding on his part?

THE PRESIDENT: We have not.

QUESTION: Mr. President, with all due respect, you have been talking about your desire to make your own team, but in fact, you have replaced half the team and you have not replaced the other half. Mr. Kissinger and Mr. Scowcroft are really part of someone else's team whom you have elected to keep.

It seems to me that you really have not answered the question. What did Secretary Schlesinger do wrong that you didn't like?

THE PRESIDENT: I have affirmatively answered the question by saying that I wanted my own team, and I am keeping Secretary Kissinger because I think he has done an outstanding job in the field of foreign policy.

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I wanted a change in the Defense Department because I wanted, in that case, a person that I have known and worked with intimately for a long period of time, a person who is experienced in the field of foreign policy and who served in the Department of Defense as an naval aviator.

The President has the right, and I believe ought to have the team with him that he wants to carry out the policies in the national interest, and the team I have selected will do so.

QUESTION: Mr. President, how worried are you about Ronald Reagan? (Laughter)

THE PRESIDENT: I am not worried about any competitor, Democratic or Republican.

QUESTION: Much of the criticism of your travel has been directed at the idea that you are greatly concerned about a challenge from your right, and that is why you have been to California three times.

I was wondering if you feel that criticism is justified?

THE PRESIDENT: It is ridiculous.

QUESTION: Mr. President?

THE PRESIDENT: Yes, Tom?

QUESTION: Mr. President, there have been reports that the China trip is being reduced from a possible five or six days in China to three or possibly four days. Is that so, and if so, why?

THE PRESIDENT: For a long period of time, Mr. DeFrank, we have had tentative plans to visit the People's Republic of China. Secretary Kissinger was there several weeks ago. As far as we are concerned, those trip plans are still on, and the length of the trip will be decided in the negotiations between Secretary Kissinger and the Foreign Minister of the People's Republic.

I don't think there is any significance in the areas that you have raised.

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QUESTION: Mr. President, hasn't there been a good deal of debate between Dr. Kissinger and Mr. Rumsfeld and others about the advisability of adding stops to that trip, and haven't the Chinese indicated that they would not be particularly happy if you did add some stops to that trip?

THE PRESIDENT: As far as I know the answer to your question is no.

QUESTION: Several Members of the Senate are concerned that Secretary Kissinger will still have total domination of foreign policy in part because your national security adviser, General Scowcroft, is regarded as a Kissinger man. How do you answer that criticism?

THE PRESIDENT: I have known Brent Scowcroft intimately for the last 14 months. I have been tremendously impressed with his experience and capabilities. I know that he speaks an independent mind. I know it personally. So I don't think that criticism is valid.

QUESTION: Can you explain what you mean when you say that Secretary Kissinger will have a dominant role in the foreign policy sector?

THE PRESIDENT: Well, as Secretary of State that is his responsibility.

QUESTION: In a military role, will Mr. Rumsfeld have the dominant role?

THE PRESIDENT: That is the responsibility of the Secretary of Defense.

QUESTION: Mr. President, on another subject, if I may, sir, are you still convinced, sir, that the City of New York does not have to default and, if so, do you plan to call Mayor Beame and Governor Carey here to tell them your reasons why you think New York can avoid default?

THE PRESIDENT: I believe that New York City can avoid default. They can take stronger action than they have taken. I believe the State of New York can take stronger action to be of assistance to the City of New York. This is a matter that can be with forthright action taken care of in the City or the City with the cooperation of the State. I hope they will. If they don't, I believe then the proper action to be taken is that which I publicly stated last Wednesday.

QUESTION: Mr. President, in the event they do not, Mr. President, are you still convinced that there will be no domino effect on the American and the world financial markets?

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THE PRESIDENT: Absolutely. I have verified that with a number of experts within and without the Government. And there is no probability, no serious probability that there will be any national repercussions and I am convinced that the market has already discounted the possibility of any financial problems in New York City and I think the actions of the last three or four days verify that correct assumption.

QUESTION: Mr. President, there are persistent reports that Hugh Scott is under consideration for appointment to Peking. Can you say if you are thinking about him?

THE PRESIDENT: As I said a moment ago, we haven't thought about replacements for George Bush and Elliot Richardson. I can say this, that Hugh Scott is a great student of Chinese culture and history. He has been to China on a number of occasions but I have not had an opportunity to focus in on the replacement for Mr. Bush.

QUESTION: Mr. President, did Vice President Rockefeller decide to step aside either because of differing views with you over the New York financial situation or to give you a greater degree of maneuverability as you move politically toward the nomination?

THE PRESIDENT: Our differences over the handling of New York City are minimal, as I said once before. The difference is his interpretation of what might be the money market reaction if and when New York City defaults. Those differences are a matter of judgment. Certainly he did not take the action that he did because of that difference.

I think the letter speaks for itself and I greatly respect his judgment in all matters, and I have been proud to have him on the team and he will continue to do a first class job in many important responsibilities.

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QUESTION: Mr. President, does that mean, sir, that he did decide to step aside in order to give you a greater degree of maneuverability? The letter does not explain why he stepped aside.

THE PRESIDENT: I think that he will have to answer that. I think the letter in effect answers your question but if you want to pursue it further, you should do it with him.

QUESTION: Mr. President, we were told this morning after your meeting with Mr. Rockefeller that you were in an exceptionally good mood. (Laughter)

THE PRESIDENT: I have been in a good mood all day.

QUESTION: I suggest perhaps a feeling of relief.

I wonder if you could tell us in your own words what your feelings are now and were then?

THE PRESIDENT: I believe that the decisions that I have made and the announcements that I have made officially give to me the people and the team and organizational structure to continue to carry out an affirmative, successful foreign policy on a global basis and to keep our national security forces second to none. I, therefore, feel very pleased with the acceptance on the part of individuals for these new responsibilities. They are important, not for me, but primarily for the country.

QUESTION: Mr. President, you recently have had two resignations.

QUESTION: Don't make a speech, Walter. (Laughter)

QUESTION: You recently have had two resignations from your campaign committee and some of your aides have said you are having problems in your primary organization, especially in New Hampshire and perhaps Florida. I was wondering, is your campaign in trouble?

THE PRESIDENT: I don't think it is. I was in Florida yesterday and talked to Lou Frey. He is very encouraged. We have some very encouraging news about the organization in New Hampshire. I am very happy about it.

QUESTION: Could you tell me, please, the basis for your optimism going into the election year? Why are you confident that you will not only be your Party's nominee beating Reagan and why you will beat the Democrats?

THE PRESIDENT: You could not have asked a better question, Wally. I am happy and I am optimistic about the nomination and the election because I am convinced the American people feel that we have been successful in foreign policy, the Middle East, Europe, et cetera. I am convinced that we are well on the road to a good economic situation in 1976. So when you combine peace and prosperity, any incumbent President ought to be very happy.

QUESTION: Mr. President, you will be concluding talks with Egyptian President Sadat on Wednesday. Can you tell us whether the President will be going home with a commitment or what he thinks is a commitment for future military aide for his country?

THE PRESIDENT: The final decisions in these areas will be made on Wednesday and properly announced. We have had very successful negotiations but I think it is premature for me to make any announcement at this time on those matters.

QUESTION: Mr. President, with Vice President Rockefeller out of the picture for 1976, you have indicated that you don't want to give us a name tonight, but maybe you will give us some kind of idea as to what kinds of qualities you will be looking for in your Vice Presidential running mate? Specifically, are there any perimeters with respect to age, political philosophy, what region of the country he comes from?
(Laughter)

THE PRESIDENT: There will be plenty of time for me to think about and discuss with others the answer to the question that you have asked and it is certainly premature for me to make any comment at this time in that very important area.

QUESTION: Mr. President, in addition to the differences you mentioned between yourself and Vice President Rockefeller, did he talk to you at all about the effect of your position against aid to New York and other cities on your campaign for next year?

THE PRESIDENT: He has not.

QUESTION: Mr. President, you gave no indication of exactly what you were unhappy with in terms of the dual roles of Secretary Kissinger. He has stated publicly that he considers those dual roles of great importance to the execution of foreign policy.

THE PRESIDENT: I indicated that the team I put together will affirmatively satisfy the way I want an organizational structure set up. That is the way I wanted it, that is the way it is, and I think it will work effectively.

QUESTION: Another question in that regard, Mr. President. There have been charges that the Secretary is stretched too thin or that by having the dual roles he is able to have an undue influence over the course of foreign policy. Were those problems?

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THE PRESIDENT: I don't like to answer speculative comments or rumors. I have done what I did because I, as President, wanted the organization and the people that I have selected. That is the answer to the question.

QUESTION: Mr. President, why has it taken you 15 months to form your team and set up your structure in national security and foreign affairs?

THE PRESIDENT: I felt it was very important at the outset because of the unusual circumstances under which I became President to have continuity, to have stability in the area of national security and foreign policy. That was absolutely essential and as a result of that we continued a successful foreign policy. As time went on I felt that in this area once we had confirmed with our allies our assurances, once we had confirmed with our potential adversaries that we were in a position to continue a relaxation of tensions, that then I could select, without any rupture of those relations, the kind of people, the individuals that I wanted to work with very, very intimately, and I have so selected them.

QUESTION: To follow up with a slightly repetitious question: Are you saying and intending to be understood to say that neither personal nor policy differences between Dr. Kissinger and Mr. Schlesinger contributed to this change?

THE PRESIDENT: That is correct.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you very much.

END (AT 8:03 P.M. EST)



#22
11/14/76

PRESS CONFERENCE NO. 22

of the
PRESIDENT OF THE UNITED STATES

5:01 P.M. EST
November 14, 1975
Friday

In the Ballroom North
At the Marriott Motor Hotel
Atlanta, Georgia

THE PRESIDENT: Good afternoon. Will you all sit down.

This is a new format, the first press conference just for the local press, and I am looking forward to it.

Mr. Merriner, will you ask the first question?

QUESTION: Jim Merriner, the Atlanta Constitution.

Will Rogers Morton take an active role in your campaign, and will Bo Callaway's role be downgraded in substance, if not in his actual title?

THE PRESIDENT: First, Bo Callaway has been doing a fine job, and he will continue as he has been. Rogers Morton is Secretary of Commerce. As long as he holds that post, he will have no official responsibilities with the President Ford Committee.

When he leaves the post on or about February 1, he has said he would like to help in any capacity where he can be helpful, but under no circumstances that I foresee would he do anything more than a part-time aid in that area.

QUESTION: Mr. President, the Secretary of State, saying he was acting on your orders, today was cited by the House Intelligence Committee for refusing to divulge certain documents. What is your reaction?

THE PRESIDENT: The Pike Committee in the House of Representatives several days ago made a demand for a very substantial number of documents. They wanted, for example, in this area documents from 1962 to 1972, documents which included recommendations from previous Secretaries of State to then Presidents.

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They requested, for example, recommendations from a number of departments through the 40 Committee, which is our intelligence covert activity group that recommends to Presidents actions a President would approve or disapprove.

On the advice of the Attorney General, after thoroughly analyzing the documents requested, the Attorney General has advised me to exercise Executive privilege, which I have.

QUESTION: Do you expect him to be cited by the full Congress and be indeed fined and sent to prison?

THE PRESIDENT: I wouldn't speculate on what the House of Representatives might do, but we have taken this action with reluctance. But, it is important to preserve Executive privilege where recommendations are made by top officials to a President, and I regret very, very much that the committee has taken this action.

I think it is shocking. I think it has very broad and serious ramifications. Over a period of five months, I have tried to cooperate with that committee, giving them tremendous amounts of material, a very substantial number of documents in order to cooperate, but in this case, it doesn't involve my Administration. It involves the period from 1962 to 1972.

I think it is wrong and, therefore, to protect the confidentiality of recommendations from previous Secretaries of State to previous Presidents, I have exercised Executive privilege.

QUESTION: Thank you, and to identify myself, I am Gloria Lane from WSB television.

QUESTION: Craig Lesser, WBHF, Cartersville.

Sir, considering Governor Carey's latest proposals, as well as the serious possibilities of defeat in the New York City primary, to what extent do you support Secretary Simon's latest proposal for aid to New York?

THE PRESIDENT: Let me clear up one thing. I don't think there is a primary in New York. I expect to get very substantial support in New York State when they make the decision at the convention.

The situation in reference to New York is precisely this: Based on the factual situation, I have not changed my decision and have not agreed for any bail-out from New York City. For the first time we have in writing things that the State of New York, the City of New York, the investors and labor organizations have agreed to, but as of this moment, nothing factually has been done.

MORE

One of the matters that they must do, of course, is to re-enact a piece of legislation that permits cities and municipalities to extend maturity dates and to reduce interest rates on certain obligations.

That legislation, I am told, has not yet been enacted. It is, in effect, a procedure under State law that is somewhat comparable to a Federal bankruptcy procedure. But, on the basis of the facts now, there is no change in my position.

We are analyzing the documents received from Governor Carey. We will consult with others. I am encouraged. But, until we have analyzed, until they have acted, there is absolutely no change in my position.

QUESTION: Consider if the legislation is passed, as Governor Carey has suggested yesterday?

THE PRESIDENT: There are a number of other things that have to be done. They have to agree to raise their taxes, city and State. They have to agree to reduce expenditures quite substantially.

Investors have to agree to extend maturities and to reduce interest rates. Labor organizations have to renegotiate the pension plans that have been in effect.

This is a series of steps that must be taken. If and when they are done, of course, we will take another look at it. It is perfectly conceivable, with all of those constructive steps, they might be able to handle their seasonal financing without any Federal intervention.

But, there is a long way to go. We have it on paper, they have promised, but we don't have any action at the present time.

QUESTION: Mr. President, I am Bill Cotterell with United Press International.

Sir, what qualities are you looking for in a Supreme Court Justice? How much have you narrowed down the last, and does it include any Democrats, women, Southerners or members of your Cabinet? (Laughter)

THE PRESIDENT: I am looking for the best person, the best person qualified. We have a preliminary list that the Attorney General has put together. I have asked a number of people to suggest names and a number of people have made such suggestions.

MORE

They are being communicated to the Attorney General. He will consult with the Bar. Their observations will certainly be considered by me.

The list could be quite comprehensive, but until it is submitted to me as a firm list by the Attorney General after this consultation process, I can't make any determination who will be on it and who won't be on it.

But, we are trying to expedite it because it is vitally important that the vacancy on the Court be filled as quickly as possible.

QUESTION: How quickly do you think you can do it?

THE PRESIDENT: I hesitate to put a deadline, but I can assure you we are trying to maximize the speed because the Court does need a full nine-member membership. They have some very serious cases coming before it, and I would hope that within three weeks at the most we would have some names submitted to the United States Senate.

QUESTION: Katherine Johnson, Associated Press.

Mr. President, you said today in New York that you would consider the possibility of Senator Edward Brooke running as your Vice Presidential mate in 1976. Do you consider Brooke a serious contender, and would a black enhance your chances of winning the election?

THE PRESIDENT: I was asked by one of the students at North Carolina Central University, was there anyone in the minority group who I would consider, and I readily said Senator Edward Brooke, a man of experience, integrity and certainly an outstanding Member of the United States Senate.

I don't rule out anyone. The field is wide open since the Vice President withdrew. At the proper time, I will make a specific recommendation. I am simply saying Senator Brooke is certainly a person, among many others, who ought to be considered.

QUESTION: Mr. President, Mike Christenson, the Atlanta Journal.

How can you possibly benefit politically from deregulation of the trucking industry as you proposed?

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THE PRESIDENT: If the trucking industry has been over-regulated as far as the consumer is concerned and they have a competitive advantage over other forms of transportation, I think some deregulation is called for.

The recommendations made to me, which I submitted to the Congress yesterday, are carefully thought out. We have not only analyzed what has been done under the ICC over a period of time, we have consulted with the trucking industry and we have consulted with the labor organizations related to trucking.

We think that this is a bona fide, legitimate area for some deregulation, and I think it will benefit the consumer. I think it will improve and strengthen the trucking industry. Therefore, I strongly favor what we have submitted.

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QUESTION: Do you think this will help you politically?

THE PRESIDENT: I think it will because there are elements in the trucking industry, there are consumers who deal with the trucking industry who are very supportive of this. So I think on balance, first it is right and, if something is right I think it is politically beneficial.

QUESTION: Mr. President, Nick Taylor, WXIA-TV, Atlanta.

Returning to the Supreme Court for a moment, what sort of philosophical make-up would you like to see in the Supreme Court when you fill the seat vacated by Justice Douglas?

THE PRESIDENT: I don't think it is appropriate to start discussing such characteristics as philosophical views or other criteria that might be used. I want the best person to fill that vacancy that I can possibly get and I think it is premature and unwise to draw a prescription because everybody then will take a person and relate it to that prescription. I would rather have the names submitted. I will analyze them and I will submit one name. But I think it is unwise to draw up a prescription at this time.

QUESTION: Would you expect the Court, once your appointment is made, to continue the moves away from the sort of libertarian attitudes espoused by the Warren Court?

THE PRESIDENT: I have felt that the Court has moved somewhat in a direction that I approve in the last several years, yes.

QUESTION: Mr. President, Don Hicks, with WBIE Radio in Atlanta.

My question is, what is your Administration's position in regards to continued funding of revenue sharing and also CETA programs?

THE PRESIDENT: I strongly favor general revenue sharing. About four months ago I requested that Congress renew the present law for a five-year period. Unfortunately, the Congress has not moved in this area as rapidly as I think they should. I hope that mayors, Governors and other local officials will join with me in urging the Congress to extend the present general revenue sharing legislation.

I also favor the CETA legislation, the Comprehensive Education (Employment) and Training Act. I think it is good legislation. I recommended that it be fully funded. I think it was very helpful in the recession that we were in, and I hope that we can continue it in the future.

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QUESTION: Mr. President, Shelby McCash, with the Macon Telegraph and News.

One of the candidates for President on the Democratic ticket, Jimmy Carter, by name, is proposing a massive reorganization of the Federal bureaucracy, trimming down Government, I think, by several hundred agencies and bureaus, he claims. If this is a feasible and worthwhile goal, why isn't your Administration taking the initiative to do this?

THE PRESIDENT: He has never submitted such a plan to me -- (Laughter) -- so I am not familiar with the details of it.

We, of course, have been undertaking for the last six months a very broad program to deregulate the American business, the American people. We think this is a big step in the right direction.

I think the biggest danger we fear is not the elimination of agencies -- although I think some can be done away with. I think the biggest danger with this Congress, they want to foist more agencies on the President, and I might say to my good friend, the former Governor, that this Democratic Congress is the one that is trying to add to the agencies, not subtract from them.

QUESTION: But there are a few you believe that could be eliminated? Nothing like 300, however?

THE PRESIDENT: I think that is a slight exaggeration.

QUESTION: Mr. President Beryl Sellers, from the Columbus Ledger-Inquirer.

Recently, the Department of the Army has come out in favor of a one-station training program for soldiers but this program has run into some serious trouble in Congress. I want to ask you, do you favor this program and, if so, what can you do to salvage it?

THE PRESIDENT: That particular recommendation has not come to me from the Department of Defense. In theory, I think it makes sense. You do run into, however, various Members of the House and Senate in those States where a base might be closed or a station eliminated, so that is the problem.

But until the actual recommendation has come to me -- I have not, of course, made a decision.

QUESTION: You have received no recommendation from the Department of the Army or the Department of Defense?

MORE

THE PRESIDENT: That is correct, sir.

QUESTION: Mr. President, Bob Ketcheraid, WSB Radio, Atlanta.

What is your reaction, sir, to the Senate Banking Committee's action just a couple of days ago refusing to confirm Ben Blackburn to the Federal Home Loan Bank Board?

THE PRESIDENT: I think Ben Blackburn would have been a good Chairman of the Home Loan Bank Board. I regret the decision by the Senate Committee. I think he could have and would have performed his responsibilities in a most able way and I think it is unfortunate that the decision was against him 8 to 5.

QUESTION: Do you have any plans to renominate him or perhaps to name him to another Government post?

THE PRESIDENT: We have not had that matter before me since the action by the Senate Committee.

QUESTION: Thank you.

QUESTION: Diane Tannen, WGAC Radio in Augusta.

Some 32 nations abstained on the United Nations' Zionist resolution vote. Are you now reassessing American foreign policy toward these ambivalent countries and, if so, what specific changes can be expected?

THE PRESIDENT: We are, of course, very disappointed with the vote taken in the United Nations. Ambassador Moynihan made a very, very strong speech setting forth the policy of this Government, strongly urging that the United Nations defeat the resolution. I think the United Nations by that resolution has seriously handicapped, at least to some extent, its usefulness. I hope and trust, however, it will realize and understand the ramifications and will not proceed any further in that direction or anything comparable to it.

I do not, however, think that the United States should withdraw from the United Nations just because of the unwise action on this resolution. You can always do better trying to correct something from within than from without.

We have no particular plans for any recriminatory action against any of those 32 nations. We just think they were very wrong.

QUESTION: Thank you, sir.

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THE PRESIDENT: There was some 70 nations -- excuse me -- that voted that way.

QUESTION: Mr. President, Ron Wilson, Georgia Network, in Atlanta.

What direction are you leaning in now on the energy compromise bill, and are you in favor of extending oil price controls?

THE PRESIDENT: The Energy Conference report was orally agreed to by the Conferees, night before last. I had a two-hour meeting with a number of the Conferees last evening. A number of the Conferees are uncertain as to some of the specifics.

I am reserving judgment on that legislation until the Conferees put the agreements in writing in legislative form. And I am told they won't have that done for about a week.

I would hope we could have an energy bill that I could sign but it would be very unwise for me to make a decision without having looked at and read and analyzed the specifics once the Committee puts it in writing.

But we hope to do that some time next week.

QUESTION: On oil price controls, are you in favor of extending those past this Saturday?

THE PRESIDENT: Well, the 30-day extension to give all of us more time -- which the Senate has passed and which the House of Representatives probably will pass today -- I think that is desirable just to give us 30 more days to analyze the Congressional action once they put it in writing. I will sign the 30-day extension.

QUESTION: Mr. President, Walt Smith, United Press International.

How does the entry of Governor Wallace into the Democratic race, his formal entry this week -- how do you think that affects the Democratic race and, specifically, do you think that Governor Wallace will get a spot on the Democratic ticket?

THE PRESIDENT: I am really not an authority on what might or might not happen in the Democratic Party. I know, of course, that in 1972 he ran very well in my State. I think he will probably run very well in my State again in 1976. He will be a factor -- that is perfectly obvious. Whether he will be on the ticket or not, I just don't think I am qualified to give you an answer.

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QUESTION: As a follow-up question, if he decided to go the third party route, do you think that would have a definite effect on the election? Could it throw it into the House of Representatives?

THE PRESIDENT: It is very possible. It almost did in 1968 when I think three or four States, if they had gone one way or another differently, it might have thrown it into the United States House of Representatives.

I think the impact of Governor Wallace running as a third party candidate depends somewhat on the Democratic nominee and we don't know that, of course. So, I don't think I should speculate until we get more information, one, as to whether Governor Wallace is going to be on the Democratic ticket; two, whether he will be a third party candidate, and who the Democratic nominee will be.

Those are uncertainties at the present time.

QUESTION: I am Sarah Lofton with the Southeastern Newspapers.

Governor George Busby is attempting to convince Congress that the Federal Government should allow States to pre-empt a portion of Federal taxes on motor fuel. I just wanted to know what your position is on this.

THE PRESIDENT: I recommended to the Congress several months ago a proposed new highway act, and one of my recommendations was that the Congress should take off one of the cents that is now charged by the Federal Government in the gas tax and turn it over to the States.

I think that would help the States to finance their share of highway construction.

The Congress thus far has not acted on my recommendation. It appears that Governor Busby and myself agree in this regard.

QUESTION: Thank you.

QUESTION: Mr. President, I am Alma Bowen from the Times in Gainesville, Georgia.

I wanted to ask you about the Tennessee Valley Authority. You have appointed a man on the Board of Directors who is from Mississippi, and I understand he is having problems, or there has been a delay in confirmation of this appointment in the Senate.

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My question is, if this man is not confirmed, would you consider a man from Georgia since some TVA lakes are located here and a lot of citizens up there want a representative from Georgia on the Board of Directors?

THE PRESIDENT: If Mr. Hooper is not confirmed for the TVA Board membership, I will certainly consider qualified individuals from any of the States that are affected by the TVA, including Georgia.

QUESTION: Thank you.

QUESTION: John Patrick, TV-5 News Scene, WAGA-TV.

Mr. President, Time Magazine this week was highly critical of your dismissal of Messrs. Schlesinger and Colby, labeling it bad management and subverting morale in many Government departments.

Do you consider having your own team more important than the effect of another high-level change in your Administration?

THE PRESIDENT: I think the changes I made, or have recommended, are constructive. I was pleased yesterday that the Senate Committee on Armed Services voted 16 to nothing to approve Don Rumsfeld as Secretary of Defense.

I think that is a good indication that he is a highly qualified man and will do a good job. I think George Bush will do the same in the CIA. I believe that Elliot Richardson later, when he replaces Rogers Morton, will be a highly qualified and a good appointee.

I think these are all constructive, and I respectfully disagree with the conclusions as you state them.

QUESTION: Mr. President, do you plan any other changes in your Administration very soon?

THE PRESIDENT: I don't have any Cabinet changes in mind. I think it is fairly well set.

But, I would like to clarify one thing. Again, up in Raleigh, I was asked a question by one of the students relating to the Cabinet, and I said it was set and then somebody raised a question, does this preclude Carla Hills, Bill Coleman, Ed Levi and others from maybe being considered for a United States Supreme Court appointment.

I want to clarify it by saying if I nominated any one of those three, I would think it was a promotion, so it is in a different category than asking someone to resign from the Cabinet. That would be a promotion, and I would not say that I am precluding them from being considered for a Supreme Court appointment.

MORE

QUESTION: Mr. President, Charles Hayslett, with the Journal.

Your remarks of a few moments ago suggested a healthy respect for Governor Wallace's political strength. Assuming you win your party's nomination, whom would you rather face in the South -- Governor Wallace or Governor Carter? (Laughter)

THE PRESIDENT: That is a very speculative, hypothetical question, as far as the Democratic nominee is concerned. So I really don't think at this time I am qualified to give you an answer.

QUESTION: Would you take a shot at it? (Laughter)

THE PRESIDENT: I think it is so speculative and so hypothetical that I don't really think I should answer it.

QUESTION: Thank you.

QUESTION: Mr. President, I am Tim Dobbs with WMAZ Radio and Television in Macon, Georgia.

Continuing in the same vein of thought with my newspaper colleague there, there seems to be a great deal more emphasis being placed on the South in the early days of these campaign times, more Presidential candidates than we have seen in some time, more often, yourself, for instance, have been in Georgia three times this year.

Do you feel that the South would possibly be a trigger, or could be the region of the country which could be a deciding factor in the election?

THE PRESIDENT: First, I like Georgians and I like to come to Georgia. Furthermore, the South is a growing, burgeoning part of our country. It is, population-wise, a bigger percentage today than it has been, say, 20 or 30 years ago. It is more significant politically. Therefore, I think that is very understandable that more Presidential candidates are coming to Georgia and to other Southern States.

QUESTION: A follow-up question: One of the Presidential candidates who has not yet said he is a Presidential candidate, Mr. Reagan, was asked about Southern strategy and he said there is no such thing in his view as Southern strategy per se as far as the Presidential election is concerned. Do you agree with that?

MORE

THE PRESIDENT: I have no Southern strategy as such. I have been to, I think, 20-some, almost 30 States. I have traveled here as well as elsewhere in the South. I think it is important to visit as many of the States of the Union as possible but, as far as having a geographical thrust of my campaign, the answer is no. I want to prevail in all 50 States.

QUESTION: Thank you, sir.

QUESTION: Thank you, Mr. President.

THE PRESIDENT: Thank you, Mr. Merriner. It is nice to see you all.

END (AT 5:29 P.M. EST)

#23
11/26/75

PRESS CONFERENCE NO. 23

of the

PRESIDENT OF THE UNITED STATES

7:30 P.M. EST
November 26, 1975
Wednesday

In the East Room
At the White House

THE PRESIDENT: Will you sit down, please.

Good evening. Before we go to questions, I would like to comment briefly on recent developments in New York. Since early this year and particularly in the last few weeks the leaders of New York State and of New York City have been working to overcome the financial difficulties of the City which as a result of many years of unsound fiscal practices, unbalanced budgets and increased borrowing, threatening to bring about municipal bankruptcy of an unprecedented magnitude.

As you know, I have been steadfastly opposed to any Federal help for New York City which would permit them to avoid responsibility for managing their own affairs. I will not allow the taxpayers of other States and cities to pay the price of New York's past political errors. It is important to all of us that the fiscal integrity of New York City be restored and that the personal security of 8 million Americans in New York City be fully assured.

It has always been my hope that the leaders of New York, when the chips were down, face up to their responsibilities and take the tough decisions that the facts of the situation require. That is still my hope and I must say that it is much, much closer to reality today than it was last Spring.

I have, quite frankly, been surprised that they have come as far as they have. I doubted that they would act unless ordered to do so by a Federal Court. Only in the last month after I made it clear that New York would have to solve its fundamental financial problems without the help of the Federal taxpayer has there been a concerted effort to put the finances of the City and the State on a sound basis. They have today informed me of the specifics of New York's self-help program.

MORE

This includes: Meaningful spending cuts have been approved to reduce the cost of running the City; Two, more than \$200 million in new taxes have been voted; Three, payments to the City's noteholders will be postponed and interest payments will be reduced through the passage of legislation by New York State; Four, banks and other large institutions will have agreed to wait to collect on their loans and to accept lower interest rates; Five, for the first time in years members of municipal unions will be required to bear part of the cost of pension contributions and other reforms will be made in union pension plans; Six, the City pension system is to provide additional loans up to \$2.5 billion to the City. All of these steps, adding up to \$4 billion, are part of an effort to provide financing and to bring the City's budget into balance by the fiscal year beginning July 1, 1977.

Only a few months ago we were told that all of these reforms were impossible and could not be accomplished by New York alone. Today they are being done.

This is a realistic program. I want to commend all of those involved in New York City and New York State for their constructive efforts to date. I have been closely watching their progress in meeting their problem.

However, in the next few months New York will lack enough funds to cover its day-to-day operating expenses.

This problem is caused by the City having to pay its bills on a daily basis throughout the year while the bulk of its revenues are received during the Spring. Most Cities are able to borrow short-term funds to cover these needs, traditionally repaying them within their fiscal year.

MORE

Because the private credit markets may remain closed to them, representatives of New York have informed me and my Administration that they have acted in good faith, but they still need to borrow money on a short-term basis for a period of time each of the next two years in order to provide essential services to the eight million Americans who live in the Nation's largest city.

Therefore, I have decided to ask the Congress when it returns from recess for authority to provide a temporary line of credit to the State of New York to enable it to supply seasonal financing of essential services for the people of New York City.

There will be stringent conditions. Funds would be loaned to the State on a seasonal basis, normally from July through March, to be repaid with interest in April, May and June, when the bulk of the City's revenues come in. All Federal loans will be repaid in full at the end of each year.

There will be no cost to the rest of the taxpayers of the United States.

This is only the beginning of New York's recovery process, and not the end. New York officials must continue to accept primary responsibility. There must be no misunderstanding of my position. If local parties fail to carry out their plan, I am prepared to stop even the seasonal Federal assistance.

I again ask the Congress promptly to amend the Federal bankruptcy laws so that if the New York plan fails, there will be an orderly procedure available. A fundamental issue is involved here -- sound fiscal management is imperative of self-government.

I trust we have all learned the hard lesson that no individual, no family, no business, no city, no State and no nation can go on indefinitely spending more money than it takes in.

As we count our Thanksgiving blessings, we recall that Americans have always believed in helping those who help themselves.

New York has finally taken the tough decisions it had to take to help itself. In making the required sacrifices, the people of New York have earned the encouragement of the rest of the country.

Mr. Cormier?

MORE

QUESTION: Mr. President, I notice that you don't put any dollar figure on the amount of the loans that you would be offering. I wonder if you could supply us with a figure and, also, why were loans necessary rather than loan guarantees?

THE PRESIDENT: The amount in the proposed legislation, which is a maximum ceiling, not necessarily would they have to go up to the ceiling, but the figure is \$2 billion 300 million per year, all of it to be repaid at the end of each fiscal year.

The reason we made it a loan rather than a loan guarantee is very simple. It is a much cleaner transaction between the Federal Government and the State and/or the city. If you have a loan guarantee, you involve other parties, and we think it is much better, we have better control over it if we make it a direct loan from the Federal Government.

QUESTION: Mr. President, in view of recent revelations, are you fully satisfied that you are aware of everything that the CIA does since you became President, and do you accept full responsibility?

THE PRESIDENT: Miss Thomas, I certainly hope that I am fully aware of everything the CIA is doing. I can assure you that if I am not fully informed, I will welcome any information that people may have that I don't know about, but I have specifically asked for all information that I think I need concerning matters of the CIA.

QUESTION: Can you say what steps you are taking to guarantee that the American people will never again learn that a Federal agency plotted on the life of a foreign leader or tried to defame a domestic leader like Martin Luther King?

THE PRESIDENT: I have issued specific instructions to the U.S. intelligence agencies that under no circumstances should any agency in this Government, while I am President, participate in or plan for any assassination of a foreign leader.

Equally emphatic instructions have gone to any domestic agency of the Federal Government and/or the CIA, or intelligence agencies, that they should not violate the law involving the right of privacy of any individual in the United States.

MORE

QUESTION: Mr. President, in a nationally televised speech before the National Press Club on October 29, you said, and I quote, "I can tell you now that I am prepared to veto any bill that has as its purpose a Federal bail-out of New York City to prevent a default," end of quote.

What has happened in the interim, sir, to make you change your mind? And secondly, do you regard your proposal as a Federal bail-out of New York City?

THE PRESIDENT: The answer is very simple. New York has bailed itself out because on October 29, when I made the speech before the Press Club, it was anticipated that on June 30 of 1976 there would be a cash deficit of \$3 billion 950 million in the New York City situation.

Under the plan that I have embraced, on June 30, 1976 New York City will have a zero cash balance so New York City, by what they have done in conjunction with New York State, with the noteholders, with the labor organization, the pension fund people, they have bailed out themselves.

Yes, sir.

QUESTION: The private sector will not invest in New York City apparently because they think it is too great of a gamble to invest any longer in New York City. Can you tell us why you are willing to risk Federal money in investing in New York City when the private sector thinks the risks are too great?

THE PRESIDENT: Unfortunately, because a period of 10 or 12 years where the finances of New York City have been badly handled there has been a loss of confidence in the private money markets.

In order to get New York City to restore their credibility in the money markets, they have taken these steps which have eliminated \$3.95 billion cash deficit and by the fiscal year that begins July 1, 1977, they will be on a balanced budget basis.

Therefore, in the interim while they are restoring their credit credibility, I decided that it was needed and necessary to give short-term financing on a seasonal basis. This, I think, is what we can do without any loss of taxpayers' money, and let me show you what the precautions are that we have taken.

MORE

We have said that the money will be loaned to New York City at a rate no less than the Federal Government borrows itself and with the option of the Secretary of the Treasury to impose an additional up to one percent on the City when they do borrow from us.

And secondly, we include in the legislation a lien for the Federal Government so that the Federal Government has a priority claim against any other creditor for the repayment of any seasonal loan made by the Federal Government.

The net result is the Federal Government will be held harmless and the taxpayers won't have to lose a penny, and the City of New York will straighten out its fiscal situation.

QUESTION: That is a pretty good deal -- one percent loan. What will you do tomorrow when other mayors around the country call up and say, "Mr. President, how do we get in on that?"

THE PRESIDENT: Mr. Schieffer, I think you misunderstood. They will have to pay the same interest rate that the Federal Government pays when it borrows money, plus up to one percent extra, so they are in effect reimbursing us over and above what the Federal Government has to pay to borrow its money.

QUESTION: That is still a good deal.

THE PRESIDENT: Well, if the Federal Government is paying six percent, then the City of New York will have to pay whatever the difference is. Now other cities, we hope, won't have to be in that situation.

MORE

QUESTION: Mr. President, have the Soviets offered any kind of proposal that could be considered enough of a breakthrough in the SALT talks to justify a visit to Moscow by Dr. Kissinger after the China trip?

THE PRESIDENT: Well, we are, of course, in communication with the Soviet officials trying to narrow the differences between our last proposal and their last proposal. I can't say this evening that the differences have yet been sufficiently narrowed to justify that the Secretary go to Moscow but I think it is worthwhile to continue the process, and if we decide that it looks reasonably optimistic, the prospects are that the Secretary will go to Moscow.

QUESTION: Then if he goes to Moscow, it will signal a breakthrough, is that correct, Mr. President?

THE PRESIDENT: It will signify there has been significant progress.

QUESTION: Mr. President, you do leave for China on Saturday. Do you foresee making any progress on any substantive matters there and, if so, in what areas?

THE PRESIDENT: I believe that it is always advantageous for the heads of Government of two nations, our Nation with 214 million people and the Chinese leaders of a country with 800-plus million people, to sit down and talk about our areas of agreement and to discuss how we can eliminate any areas of disagreement. It is vitally important that we consult rather than confront and I can't tell you particularly what the outcome will be on a substantive basis, it will depend on how the talks go, but I think it is very worthwhile for those meetings to be held.

QUESTION: Would you say it is worthwhile from a symbolic standpoint because you have set a meeting and must follow through with it or can it amount to more than that?

THE PRESIDENT: I think it is definitely a meeting that can have far more meaning than symbolism. I think that the meetings, the talks, can and will be constructive.

QUESTION: Mr. President, will you agree to a debate with Ronald Reagan during the Republican primaries?

THE PRESIDENT: I have always found that debates are helpful when the views of the participants are not well-known. In my case, my views on matters are known virtually every day. I have to make decisions where the public knows how I feel on this issue or that issue or any other issue, and, of course, between now and February 24 I have a fairly busy schedule. I am going to be preparing for the State of the Union Message, I will be putting together the Federal budget, and in the meantime, I will be signing or vetoing a lot of legislation, so my views will be very well-known by everybody. So at the present time I can't make any commitment as to whether or not there should or should not be any such debate.

MORE

QUESTION: Mr. President, Mayor Beame in New York was asking as long ago as September for short-term Federal assistance. How is the plan that you propose tonight different from what he was seeking then?

THE PRESIDENT: Significantly different. As I pointed out a minute ago, when the Governor and the Mayor were asking for any kind of help, short-term or long-term, there was the anticipated deficit for the current fiscal year in New York City of \$4 billion.

In the meantime, the Mayor and the other public officials in New York City, along with the help of private citizens, have reduced that fiscal deficit for this current year to zero. So there is quite a different circumstance.

QUESTION: Well, you seem to be suggesting, Mr. President, that your opposition earlier to assistance for New York was based primarily on a tactical maneuver to get them to make the hard decisions that you say they have now made. Why could you not have said then that the aid would be forthcoming if they did all those things?

THE PRESIDENT: Well, we have always felt that they could do enough, but only because we were firm have they moved ahead to accomplish what they have done now which is a bail out of New York City by New York officials. If we had shown any give, I think they would not have made the hard decisions that they have made in the last week or so.

MORE

QUESTION: Mr. President, will you be submitting your nomination to fill the Douglas vacancy on the Court before your departure for China?

THE PRESIDENT: I will not submit it before I go to China. I will submit it as quickly as I possibly can because I think it is vitally important that that vacancy on the Court be filled, if at all possible, by the time Congress adjourns in this session.

So, we are expediting the process, and we will submit the name as rapidly as possible.

Yes?

QUESTION: Mr. President, the Senate Intelligence Committee has documented widespread efforts by the FBI to discredit Dr. Martin Luther King before he was assassinated, as you know.

I was just wondering, do you think the Federal Government and you, as President, have any responsibility now to see that those who were responsible for that are either purged from Government service if they still are in Government service, or prosecuted if the statute of limitations has not run out on them?

THE PRESIDENT: I certainly condemn those actions which were taken regarding Martin Luther King. I think it is abhorrent to all Americans, including myself. Whether or not we can identify the individuals, if they are still alive, is difficult, but I certainly will consult with the Attorney General regarding that matter.

QUESTION: You think an effort should be made, though, to identify those people?

THE PRESIDENT: I think so.

Yes?

QUESTION: What reaction, sir, do you have to the statement of Senator Mathias that he may be forming a third force movement, and who do you think that would hurt or help if he does?

THE PRESIDENT: I strongly believe, Mr. Cannon, in a two-party system. It has served our country very well over a long period of time and, therefore, I would hope that all Democrats would participate in their party convention and run as a candidate in their primaries.

I would hope that we would have a similar situation in the Republican Party. The two-party system is so valuable, has served us so well, I can't believe that a multiplication of political parties will be beneficial.

MORE

QUESTION: Have you attempted to communicate this personally to Senator Mathias, or do you plan to do so?

THE PRESIDENT: I have not communicated with him, and I would just hope that Senator Mathias would continue to be a good Republican, as he has been over the good many years that I have known him.

QUESTION: Some Congressional leaders are saying it may not be possible to enact New York City legislation in time to avert a default by December the 11th. Does the Administration have a plan to respond if this does occur?

THE PRESIDENT: The bill I am submitting to the Congress is about a two- or three-page bill. It is very simple. I think Congress can take it, hold hearings, and act within a very short period of time, and I see no reason for any delay whatsoever, and I am confident they will.

QUESTION: Is there a contingency plan, sir, in the event Congress does not act in time to avert default on December 11?

THE PRESIDENT: I asked earlier, as I'm sure you know, for a change in the Federal bankruptcy law. That legislation is in the House and Senate committees; hearings have been held. If they want to take a precautionary measure -- I don't advocate it -- they could enact the change in the Federal bankruptcy law.

I would rather have them take what I am sending up the day they get back from recess so we don't have to go through the process of Federal bankruptcy.

QUESTION: Mr. President, may I follow up on the Mathias question? Do you share Senator Mathias' concern that there is a Republican drift to the right, away from the central center voters, and that this might cost you the election?

THE PRESIDENT: I am certainly not drifting away from my traditional position, which is in the middle of the political spectrum in the Republican Party.

QUESTION: You will recall, I am sure, the days when the -- the football days when Stagg used to fear Purdue. My question is, do you fear Ronald Reagan, that he might beat you?

THE PRESIDENT: I don't think so at all, and I am looking forward to a good campaign between now and November of 1976.

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QUESTION: Do you think that he is doing you a favor by running against you in the primaries, or is this likely to be divisive?

THE PRESIDENT: I am not going to speculate on that, Mr. Sperling. I am a candidate, I'm going to run it on my record -- I think it is a good record -- and I look forward to the campaign between now and next November.

MORE

QUESTION: Mr. President, it is reported that Mrs. Ford is pressing you to appoint a woman to the Supreme Court, and I wondered if you could tell us what luck she is having and what influence she has on the positions that you take in Governmental matters such as this and others?

THE PRESIDENT: She does propogandize me on a number of matters. She obviously has a great deal of influence. We have discussed this but I don't think I should indicate in any way whatsoever any individual that I might be considering.

As you may have noted in the list that was submitted by the Attorney General, there were two women -- the Secretary of HUD, Carla Hills, and Judge Cornelia Kennedy of the District Court in the City of Detroit. They are being considered. I am sure that Betty would be very pleased but I am not making any commitment at this time.

QUESTION: Mr. President, does she lead you to a more "liberal" position on things?

THE PRESIDENT: She, I think, has the identical political philosophy that I have.

QUESTION: Mr. President, are you willing to take the pledge that Governor Reagan has not to speak ill of other Republicans, to observe the so-called 11th Commandment?

THE PRESIDENT: You are speaking of the 11th Commandment?

QUESTION: Right.

THE PRESIDENT: I have always thought that the first 10 Commandments were pretty good guidelines for most Americans and I am going to abide by the first 10. I think they will take care of the situation.

QUESTION: Mr. President, there has been increased speculation that there may be another Ford-Brezhnev get-together in the works in either December or January, perhaps when and if Secretary Brezhnev goes to Cuba. Can we expect a Ford-Brezhnev get-together in the next two months?

THE PRESIDENT: Well, as I said earlier, at the present time on the SALT II negotiations we are making some headway but we have not come close enough to justify Secretary Kissinger going to Moscow and certainly not to justify a meeting between Secretary Brezhnev and myself.

MORE

On the other hand, we are going to pursue as much as we can and maintain our own position of strength because I think it is in the national interest to put a cap on the strategic arms race, but I can't forecast at this time if and when any such meetings will be held.

QUESTION: Well, do you think it would be helpful to have a Ford-Brezhnev meeting to perhaps break the SALT deadlock or are we still insisting on an agreement in SALT as a prerequisite for any Ford-Brezhnev meeting?

THE PRESIDENT: I believe that Mr. Brezhnev and I should not meet until we make additional progress.

QUESTION: Mr. President, in the past the American Bar Association has had great input on the selection of Judicial appointees, and I was wondering how you feel about this, whether the ABA's Judicial Committee should have a veto on your Judicial appointments?

THE PRESIDENT: The ABA, the American Bar Association, has done a fine, fine job under very tough circumstances in analyzing the legal qualifications of some 15 or more names that have been submitted to them, and I thank the American Bar Association for their very, very great cooperation but I don't think in the final analysis they should have a veto over the person that I select.

QUESTION: Mr. President, has Secretary Kissinger talked to you recently or to any top officials in your Administration about the possibility of resigning? Has he complained to you or others in the White House that he felt he was not receiving sufficient support from the White House, particularly on the House contempt citation move and, if he has, are you in a position to say whether you -- to repeat your earlier promise, or your earlier statement, that you wanted him to stay on through the completion of this term?

THE PRESIDENT: Secretary Kissinger has not spoken to me about resigning. I continue to give him full and complete support because I think he is one of the finest Secretaries of State this country has ever had. I know of no criticism within the White House Staff of his performance of duty and I strongly -- and I want to emphasize and re-emphasize that I think he has done a superb job under most difficult circumstances. I certainly want him to stay as long as Secretary Kissinger will stay.

QUESTION: Mr. President, in view of the Congressional report on the CIA and the recent testimony about FBI activities and continuing doubt in the country, don't you think it would be in the national interest to re-open the assassination investigation of President Kennedy and now Martin Luther King as well?

MORE

THE PRESIDENT: I, of course, served on the Warren Commission and I know a good deal about the hearings and the Committee report, obviously. There are some new developments -- not evidence but new developments -- that according to one of our best staff members who has kept up to date on it more than I, that he thinks just to lay those charges aside that a new investigation ought to be undertaken.

He, at the same time, said that no new evidence has come up. If those particular developments could be fully investigated without re-opening the whole matter that took us 10 months to conclude, I think some responsible group or organization ought to do so but not to re-open all of the other aspects because I think they were thoroughly covered by the Warren Commission.

QUESTION: Are you prepared, then, to take that step on the part of the Administration to appoint a task force from the Justice Department, say, to look into the new developments and to report on those as well, or would you rather have it done by an independent organization?

THE PRESIDENT: I think in light of my former membership on the Warren Commission, it might be better done by somebody other than I appoint.

MORE

QUESTION: Mr. President, is it still your intention, sir, to veto any tax cut package that Congress might pass if it does not conform precisely with what you proposed a few weeks ago?

THE PRESIDENT: I intend to veto any tax cut measure that does not couple with it a comparable reduction in the growth of Federal spending.

QUESTION: Well, sir, that implies you might be flexible on the precise numbers, is that correct, so long as there is a balance?

THE PRESIDENT: I, of course, proposed a \$28 billion tax cut, coupled with a \$28 billion reduction in Federal spending. I think that is the right level in both cases.

The Congress, I hope, will accept it.

QUESTION: A follow-up question, if I could, Mr. President, to the earlier statement on the Central Intelligence Agency. As you know, there is a grey area in which the CIA might take an action which could eventually lead to danger or assassination of a political leader. Now, in your first news conference you indicated that you supported such covert activities, particularly in the case of Chile. Do you still support those activities and, if so, what kind of philosophy should the Constitutional Democracy of America taken into the situation?

THE PRESIDENT: I repeat, under this Administration, no agency of the Federal Government will plan or participate in any assassination plot of a foreign leader.

The United States, however, in many cases for its own protection, its own national security, must undertake foreign covert operations but I am not going to discuss the details of them.

QUESTION: Will you allow the country to involve itself in situations which could potentially be dangerous to other leaders?

THE PRESIDENT: The people in the intelligence agencies know what my instructions are. If they violate them, proper action will be taken.

QUESTION: Mr. President, in Angola the Soviets are reported to be heavily involved. Do you find this to be consistent with your understanding of detente?

THE PRESIDENT: I agree with the content of the speech made by Secretary Kissinger in Detroit last night where he said that the Soviet actions in Angola were not helpful in the continuation of detente. I agree with that and I hope and trust that there will be proper note taken of it.

QUESTION: Do you intend to do anything about it other than making this statement?

THE PRESIDENT: I don't want to get into the method or procedure. I said that I agree with the statement made by the Secretary and I believe that the Soviet Union is not helping the cause of detente by what they are doing and I hope the message comes across.

Yes.

QUESTION: Mr. President, there is considerable pessimism these days as to whether peace progress can be maintained in the Golan Heights in the Middle East. The issues seem to be primarily those of land and participation by the Palestine Liberation Organization in negotiations.

On the issue of land, it has been reported that the U.S. has assured Israel that it need make only cosmetic changes in its present lines in the Golan Heights. Is that fact?

THE PRESIDENT: That is pure speculation and we do hope that the process of negotiation will continue in the Middle East and I hope and trust that we can get the parties together for a just and permanent peace.

QUESTION: On the issue of Palestine Liberation Organization participation, State Department officials suggested that the Palestinian issue was the core of the problem in the Middle East. Do you agree with that?

THE PRESIDENT: It certainly is a very important part of the problem because the Palestinians do not recognize the State of Israel and, under those circumstances, it is impossible to bring the Palestinians and the Israelis together to negotiate. So unless there is some change in their attitude, I think you can see a very serious road-block exists.

MORE

QUESTION: Mr. President, tomorrow being Thanksgiving Day, I ask this not of Jerry Ford, individual, but as the President of the United States. What do you have, number one, to be thankful for?

THE PRESIDENT: I am primarily thankful for the fact that this country is at peace on this Thanksgiving rather than engaged in a war, as we were for four or five or six years.

QUESTION: Mr. President, thank you, sir.

As a New York reporter, I am very interested in something you said in your statement. Part of the package that you found to indicate progress on the part of New York officials involved \$205 million in taxes, which are a very onerous burden on the middle class in New York, on the working man and woman, including a 25 percent city income tax raise.

Now, are you concerned politically that these taxes, these new taxes on a very heavily taxed city, one of the most heavily taxed cities in America, that these taxes are going to become known as the Ford taxes and that you are going to have to kiss the voters of New York goodbye next year?

THE PRESIDENT: As I have said repeatedly, the only requirement that I imposed was that the financial situation in New York City be such that we could handle the problem at the Federal level in the way in which we are doing it today.

As I understand it, Governor Carey has taken the full responsibility for the total package, including the taxes that were imposed through his recommendation to the State Legislature.

I think that is a very courageous stand by Governor Carey.

Under those circumstances, since I didn't recommend any particular tax package, or any additional taxes, I don't see how those taxes can be labeled taxes of this Administration.

QUESTION: Although you do approve of those taxes as part of this package?

THE PRESIDENT: I approve of the financial plan of responsibility which the Governor and the city officials and others have put together.

THE PRESS: Thank you, Mr. President.

END (AT 8:08 P.M. EST)