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September 20, 1976

9:05 P.M.

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QUESTION: Mr. Carter, can you give us some idea of what you intend to achieve if you get to the White House?

(Answer by Governor Carter)

QUESTION: Mr. President, would you care to comment?

THE PRESIDENT: Every President has the responsibility to improve the competence of the Federal Government. I believe that the recommendations I have made in a number of instances will improve the competence of the Federal Government. For example, I have recommended to the Congress that we move into some areas of regulatory reform as far as airlines, railroads and trucks are concerned.

There is a great need for added competition in all three of those areas and the regulatory reform that I have proposed will provide for that.

In addition, I have recommended in the areas of elementary and secondary education, health delivery systems, social services and child nutrition that the Federal Government provide instead of about 60 categorical grant programs, that we would have a direct delivery system of the Federal funds through the local units of Government so that they, at the local level, could spend this money as you in the local communities decide is the best way to have it spent.

In addition, yes, we should have tax reform. I have made some recommendations to the Congress while I have been President. Some of those recommendations have been incorporated in the several tax bills that have been approved by the Congress, and I think we will end up with some improvements in tax equity and tax justice as far as the public is concerned.

I should add in addition that we have recommended that the various agencies of the Federal Government should reduce the paperwork as far as citizens are concerned, and I am proud to say that the paperwork as far as the individual citizen is concerned has been cut by 12 percent in the last 12 months.

QUESTION: Governor, you have repeatedly stated that the nation would be best served by a strong, independent, aggressive President working with a strong, independent Congress. There is great public doubt at the moment that the Congress is or will be strong, and there is also a great public fear that in the past several Administrations the President became so strong as to be a threat to democracy.

Why should not people fear that an extension of that trend would occur since you believe in an aggressive Presidency and, furthermore, you have won the nomination and perhaps the election without owing anything to those special interest groups and coalitions that would serve as a check on your intentions?

(Answer by Governor Carter)

QUESTION: Mr. President, will you respond?

THE PRESIDENT: First, I want the American people to know that in 1975 I held at least 12 conferences around the country where we invited in people from the respective communities so that we could have management, labor, the citizens as a whole, give us the benefit of their recommendations as to tax policy, welfare policy, energy policy and all other major issues.

We held these public forums so that individuals from many communities could give us the benefit of input so we could make recommendations to the Congress.

One of the major points that I think has to be made very clear -- the fact is if there had been a Democrat in the White House for the last two years, we would have had a runaway Congress. Our forefathers wanted to have a system of checks and balances. If there was a runaway Congress, they had to have a President who would stand up and tell the Congress they were wrong.

I am proud of the fact that in my Presidency I have vetoed 56 bills sent to the White House and in the process, 42 of those have been sustained and in the end we have saved the taxpayers of this country anywhere from \$9 billion to \$13 billion. Now, if there had been a Democrat in the White House we would have had a President who would agree with all of these spending bills that the Congress sent down to the Oval Office in the White House.

Fortunately for the taxpayer, the middle income taxpayers, the people of this country, we have had a President who was saying no to the Congress when they were spending too much of your tax money.

QUESTION: Governor Carter, which of your political convictions, what things that you believe on the issues have you found absolutely the most difficult to sell; that is, where do you find yourself most different from the prevailing mood of the voters?

(Answer by Governor Carter)
(Follow-up question)
(Answer by Governor Carter)
QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: I strongly disagree with Governor Carter's proposal to grant unconditional pardon to all the draft evaders in the Vietnam War. In 1974 I proposed a plan and a program where we could give amnesty to those who had disagreed with our policy in Vietnam, providing they were willing to work for the change in their discharge or their court problems.

Approximately 16,000 out of 100,000-some volunteered to come in and present themselves so they could earn their way out of the difficulties that took place during the Vietnam War. That was a good program. I wish more had taken advantage of it, but I would not under any circumstances give a blanket pardon to the draft evaders that Governor Carter recommends.

P. FORDUSRAP

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In addition, we talk about tax reform. The Governor says that he is going to take one year to study the so-called tax inequities in our present Internal Revenue Code. Let me say to the Governor right here and now, there is one inequity we can correct immediately and should have been corrected during this session of the Congress.

I recommended that we have an increase in the personal exemption from \$750 to \$1,000, and that is something Congress should have done and must do in order for us to give tax equity, tax justice to the middle income taxpayers, who have an income of somewhere between \$8,000 and \$25,000.

We don't need a year to study that kind of tax equity and the Congress should have done it this year and certainly ought to do it the first of next year.

Yes, in my judgment we are going to call for action, not study, on some of these critical problems.

QUESTION: Thank you, Mr. President.

Governor, I hope that I am quoting you accurately on this. You say that you are "a conservative on spending and a liberal on human welfare." I am not quite clear what that means. How can you be a liberal on human welfare, which requires a great deal of spending, and a conservative on spending? How are you going to reconcile the two?

(Answer by Governor Carter)

(Follow-up question)

(Answer by Governor Carter)

QUESTION: Mr. President?

THE PRESIDENT: I believe that Governor Carter is plainly going to take the Federal Government down the same path, the same road that he took the Government of Georgia. According to the experts in the State of Georgia, from the time he became Governor until he left office, he increased the spending in the State of Georgia by 50 percent. He added 25 percent to the payroll of the State of Georgia, and he substantially increased the debt for the State of Georgia.



The Governor has just said that he would not promise the American people that he would have a smaller Federal Government when he left office. He, in effect, admitted that with all the programs that he is committed to -- and there was a long shopping list -- he, in effect, is admitting there will be a bigger Federal Government, not a smaller Federal Government.

Now, I am as compassionate as the Governor in helping those people who are old, disabled, disadvantaged, but the best way for us to help those people in those circumstances is to stop the rising increase in the cost of living. Those people are hurt the worst by the inflation that we have had and would have, to a higher degree, under Governor Carter.

My program is one of controlling inflation, reducing inflation, so that those who are on fixed incomes, those who are less well off, will not be hurt, will not be harmed by the rising cost of living.

Governor Carter wants to spend more money and either have bigger deficits or higher taxes, which will hurt those people who can afford it the least.

QUESTION: Thank you, Mr. President.

Governor, is it true that you don't think that it is realistic to achieve a 3 percent unemployment rate in three years and, at the same time, achieve your stated objective of about a 4 percent inflation rate?

(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: Governor Carter has on many occasions endorsed the Humphrey-Hawkins bill. The Democratic platform, which he approves of, likewise endorses the Humphrey-Hawkins bill. The Humphrey-Hawkins bill will put the American economy in a straitjacket -- more controls. The Humphrey-Hawkins bill as recommended and endorsed would inevitably add substantially to Federal expenditures on an annual basis, a minimum of \$10 billion more Federal expenditures every 12 months and a possibility of some \$30 billion each year.

Now, if you have that kind of added expenditures to the Federal budget, you will either have to pay for those added expenditures by more taxes or you will have to have a bigger deficit, which leads to more inflation.

Now, Governor Carter has indicated that in order to meet the problem of larger expenditures he would favor additional Federal taxes with a tax burden falling on those from the middle income on up, which means that roughly half of the American taxpayers, the middle income taxpayers, would pay a disproportionate share of the new taxes to pay for the greater Government expenditures under the Humphrey-Hawkins bill.

I strongly disagree with the philosophy of the Humphrey-Hawkins bill. I strongly disagree with the added controls that would come from the Humphrey-Hawkins bill. I strongly disagree with the added expenditures, the inflation or additional taxes that would come as a result of the enactment of the Humphrey-Hawkins bill, which Governor Carter endorses and supports.

QUESTION: Governor, I would like to follow up on the President's comments on the Humphrey-Hawkins bill. Even if you attack adult unemployment and reach the 3 percent rate, which would be about 4-1/2 percent of the total unemployment, how are you going to avoid what some of your advisors have warned would be a 15 percent inflation? How are you going to keep the Federal Government from becoming an employer of last resort?

(Answer by Governor Carter)
(Follow-up question)
(Answer by Governor Carter)
QUESTION: Mr. President?

THE PRESIDENT: Governor Carter obviously feels that spending more taxpayers' money or borrowing more money is a good solution to our economic problem. I believe that vetoing unneeded, unnecessary spending bills is the right way to win the battle against inflation and, at the same time, to increase employment.

We have proven under my Administration that we can reduce the rate of inflation from 12 percent to 5 percent or thereabouts and, at the same time, we can increase employment. In the last 17 months we have increased employment by over four million new people gainfully employed in our economy. At the same time, we have substantially reduced the rate of inflation.

Now, the bill that the Governor talks about is legislation that would have cost us roughly \$6 billion. It would have provided at the most 200,000 or more jobs and the cost of each job would have been about \$25,000 per year. I don't think that makes good economic sense. I believe that we can expand the job opportunities far better by winning the battle against inflation, reducing unemployment and providing jobs in the private sector where five out of the six jobs today are held in this country, and with a healthy, growing private economy people will have meaningful jobs with an opportunity for advancement.

The Governor points out that in President Truman's Administration unemployment was down -- let me point this out. Bear in mind that during the years of Mr. Truman we had more people going into the military as the result of the war in Korea. We had more people sent overseas, and we were engaged in a war during all that period of time. That is not the way to reduce unemployment.

QUESTION: Governor, would you favor using Federal incentive programs to disburse a larger number of the poor, both to relieve the pressure in the cities and to get the people out to where jobs are now being created?

(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: I have recommended to this Congress that we give tax incentives to industry so that they will either expand their production capabilities in an existing site in a city with high unemployment or we would have tax incentives for a company to locate a new plant in a city with high unemployment. That was a specific recommendation that I made so that we could retain jobs in a city.

Unfortunately, this Congress, despite all its talk about having compassion and concern for the cities, has not responded with a very sound and forthright proposal that I made. If we had had that legislation enacted shortly after I had recommended it, we would have industry today building new plants in major metropolitan areas in the inner-city or expanding their industrial capacity in those cities so that more jobs would be available in the cities.

I believe that is a better way of doing the job than to provide housing in the suburban areas. At the same time, I think we have to improve the housing in the innercity, either by public housing or by other subsidized housing programs so we can rehabilitate the inner-city and make it more attractive for people to stay and live there and, at the same time, provide jobs for those people who do live in the cities so they can make their living where they actually reside.

QUESTION: Governor, your position on the right to work laws has been somewhat controversial. Can you tell us whether you believe in the principle behind the right to work law; namely, that an American worker not be compelled to join a union to hold his job?

(Answer by Governor Carter)
(Follow-up question)
(Answer by Governor Carter)
(Follow-up question)
(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: I am very impressed with the Governor's deep conviction on an issue that is as important as this to many, many people. I think it is a sad reflection on his lack of leadership. Here is a very fundamental issue that involves the views and convictions of many, many people. I have said repeatedly I would not approve the repeal of Section 14(b) of the Taft-Hartley Act, and I will do all that I can to prevent that change in the Taft-Hartley legislation.

QUESTION: Sir, we have a break here, a time out for changing the tapes, Mr. President.

(Change in tape)

QUESTION: Governor, you have stated constantly during your campaign that you have favored mandatory comprehensive national health insurance, but you don't tell how it will be financed, much less what it would cost, and whether it would be under public or private auspices.

(Answer by Governor Carter)

QUESTION: Mr. President?

THE PRESIDENT: It is incomprehensible to me that a candidate for the Presidency would commit himself to a gigantic program without knowing something about how it would be financed, how the health services would be delivered. This is a major step in changing the delivery of our health price services to 215 million Americans.

The usual program that seems to fit into the concept of Governor Carter, the Kennedy health program, would add approximately \$70 billion in additional taxes on taxpayers in this country each year. In addition, there would be under one or more of the health insurance programs that have been recommended to the Congress, there would be a substantial change in the relationship between the doctor and the patient, there would be considerable more bureaucratic red tape.

Now, it seems to me that before anybody makes a firm commitment to the American people we are going to have a gigantic reversal in how our health programs are administered and delivered, ought to know something about what he would propose in the way of taxes, in the way of bureaucracy, and in the way of delivering the health services.

I am just amazed that a matter of this consequence has not been sufficiently thought out so that the Governor can give specifics in responsible questions that have been asked. The American people can't believe that is a good program if it can't be explained on a program like this.

QUESTION: Governor, the centerpiece of your campaign has been reorganization, as it was in Georgia, and you have said that you don't want anybody to vote for you unless they want the Executive Branch of the Government reorganized. You talk about 1,900 agencies reorganized to 200, and yet you won't tell us which agencies will be eliminated.

What is going to happen to certain agencies? Why can't you tell us now?

(Answer by Governor Carter)

(Follow-up question)

(Answer by Governor Carter)

MORE

QUESTION: Mr. President.

THE PRESIDENT: We have to judge a person in public office by his performance. The authorities in Georgia tell me that this reorganization of the government in Georgia did not actually result in less government in Georgia or less spending by the taxpayers in Georgia. The facts are that under the so-called reorganization that was implemented by Governor Carter the costs of government in Georgia went up 50 percent and the number of employees in the government in Georgia after his reorganization went up 25 percent. So on the basis of his illustration in Georgia I am not sure we could survive his reorganization in the national government.

Now in the first place there are not 1900 agencies or departments in the Federal Government. We have too many but his figure is not an accurate one.

Secondly, I wonder how he can decide without having studied it that we should automatically have 200. I think this shows a lack of care and study and analysis that is needed and necessary if you are going to reorganize the Federal Government.

Now let me tell you what I have done. In January of this year in the State of the Union message I recommended that 16 Federal health agencies be combined into one and that the delivery of the health service money and services from the Federal Government to the local government be consolidated as I recommended. In the case of education I proposed that 24 categorical grant programs of the Federal Government for education at the local level be consolidated into one. We had a specific recommendation in both cases and that is the way to do the job.

QUESTION: Governor, following up on the President's rebuttal, how, if you went through your reorganization in the Federal Government, would you reduce the Federal payroll and, if so, by how much forgetting about the exact numbers of the agencies?

(Answer by Governor Carter)

(Follow-up question)

(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: The Governor has admitted that under his reorganization in the State of Georgia there were more people put on the payroll and the total budget costs went up substantially. Now let me tell you what I did when I became President. The first day I walked into the Cabinet room I found that there had been a projected 40,000 increase in Federal employees under the budget submitted by my predecessor. I said we are not going to have that increase in Federal employees under my Administration. As a result, we eliminated those projected extra jobs and since I have been President for the last two years we have actually reduced Federal permanent employment by 11,000.

Furthermore, I have recommended and we are going to get it through the Congress, this one or the next one, a consolidation of 24 education programs for elementary and secondary education from the Federal Government to the State governments and local units of government into one block grant program. We will eliminate bureaucracy, paper work, and we will get more money from the Federal Government in the hands of the local units of government that way than by the present categorical grant program. We have in addition specifically proposed in the health area that we can get a better delivery of the \$10 billion that the Federal Government makes available to local units of government for health care. We can do it more economically, more effectively and make the patient feel that he is getting better health care.

QUESTION: Governor, if you were elected President, how would you exert some leadership on the questions of schools and integration? Do you have some ideas and formulas for achieving certain kinds of integration?

(Answer by Governor Carter)
(Follow-up question)
(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: I strongly disapprove of court ordered forced busing to achieve racial balance. I believe there is a better way to accomplish quality education and that is what we fundamentally want for white students and black students or other minority students. I have recommended to the Congress a piece of legislation that would minimize court ordered busing to those instances where there was a depriving of one's constitutional right.

The problem with court ordered forced busing to achieve racial balance that we have today is that in too many cases the Federal courts move in and in effect become the school board at the local level. Under my proposal we would have a minimal amount of busing and it would only be in those cases where there was a clearcut case of the school system depriving an individual or individuals of their constitutional rights.

It is my judgment that we can meet this problem much more effectively the way I have proposed rather than massive court ordered forced busing. We can achieve quality education and we can keep control of local schools in the hands of local school administrators and therefore I strongly disagree with the proposal of those who want to move the courts into a position of taking over our local school systems and dictating how pupils should be moved from one area to another to achieve racial balance. I think quality education can be achieved in a better way.

QUESTION: Governor, following up on the President's rebuttal you seem to have it both ways on busing and also on abortion by saying you are opposed to forced busing and that you are opposed to abortion but you will not attempt to amend the Constitution. Is that because you have a philosophical complaint against any further amendments to the Constitution?

(Answer by Governor Carter)

QUESTION: Mr. President, do you wish to respond?

THE PRESIDENT: I don't believe that a constitutional amendment is the proper answer in this case. I believe that we can have the kind of legislation that I have recommended to the Congress which would minimize busing only to those cases where there was a clearcut violation of an individual's constitutional rights. It seems to me that by minimizing the busing we can insure that there will be quality education in all school districts. We would achieve integration, we would be able to get public support for the court orders under my proposal, we would find by other means and methods neighborhood schools, magnet schools and other means that we could give a quality education to individuals in those cities where there has been either legislation or commission action to achieve the deprivation of an individual's civil rights.

QUESTION: Thank you, sir.

END

10:04 P.M. EDT



INTERVIEW WITH THE PRESIDENT

SEPTEMBER 20, 1976

2:25 P.M. EDT 3

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THE MODERATOR: Good evening.

This is the first in the series of the 1976 Presidential debates.

Our debators are the former Governor of Georgia, Jimmy Carter, and the President of the United States, Gerald Ford.

Our journalists are, on my left is Elizabeth Drew from the New Yorker Magazine; Serge Gannon from the Wall 12 Street Journal and Mr. Frank Reynolds from the American Broadcasting Company.

The first question, Ms. Drew, to the President. 15 QUESTION: Mr. President, Mr. Carter recently 16 enlightened us on his views concerning so-called victimless crime. I wonder if you would be so good as to let us know 18 what you think about this matter?

19 THE PRESIDENT: It seems to me that in an all-out 20 effort to reduce the rate of crime we have to take some new 21 initiatives. I recommended to the Congress earlier this year 22 a comprehensive anti-crime bill.

Number one, I believe very strongly that we have to update our Federal Criminal Code. The Code is presently

out of date. It ought to be updated so that judges, prosecutors and others will know exactly what the Federal crimes are.

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Number two, we have to provide a very much tougher
procedure for indictment, for prosecution and for sentencing
where individuals are guilty of a Federal crime. There has
to be a certain and minimum imprisonment for all Federal
crimes.

9 I think we also have to take very firm action in the areas where a Federal crime is committed while the indivi-10 dual committing that crime has in his possession a firearm. 11 I strongly feel that individuals in this country under the 12 13 Constitutional rights must have the right to maintain firearms themselves, but we must be very certain that those who 14 commit crimes while in the possession of a gun, be convicted 15 and imprisoned for a set and minimum term. 16

In addition, I think we have to take further action to toughen up our anti-drug legislation. The emphasis should be in making certain that the pusher, the professional is the one that will be actually given the hardest time by the Federal authorities.

And then, of course, I think in order to make justice speedier and more certain we have to add Federal judges, we have to have an additional number of Federal prosecutors. The whole theme of the Ford Administration's

anti-crime program is one of domestic tranquility, and number two, concern for the victims of crime in this country.

The emphasis should be in protecting the victims and not paying as great a concern for the perpetrators of crime in America.

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QUESTION: Mr. President, I think I perhaps did not make myself entirely clear. I wondered what your views were on such crimes as prostitution, homosexual activities, use of marijuana, which some people describe as victimless crimes?

THE PRESIDENT: It seems to me that that is . 11 primarily a local and State affair. The crimes that you have 12 described are crimes that are almost exclusively under the 13 control and jurisdiction of State legislatures or city 14 councils or commissions. It would seem to me that the 15 certainty of punishment for the violation of a criminal 16 statute is an important factor in controlling crime in this 17 country. 18

Some of these crimes you described do have broader ramifications than just what happens to the individual involved and they must live up to the law just like any other individual must, whether it is a Federal, State or local crime.

> THE MODERATOR: Mr. Gannon. QUESTION: Mr. President, in recent days Governor

Carter has said that in his view that upper income groups are not carrying their fair share of taxation. He has accordingly recommended a shift in the burden of taxation from the lower and lower-middle income group to the upper income groups.

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Do you agree with this appraisal, sir?

7 THE PRESIDENT: In the last two tax bills that have 8 been passed by the Congress -- one of them is law and the 9 other is on my desk at the present time for my analysis and 10 action -- there has been a tightening up of what we call 11 tax avoidance by well-to-do taxpayers through a provision 12 that is called the minimum tax portion of our Internal 13 Revenue Code.

What this provision has done is to try and make certain that every taxpayer paid a certain percentage of his income in Federal taxes. I believe that the Federal income tax laws at the present time, with the exception of the extra burden that is presently placed on the middle income taxpayers, is a fair distribution of the tax burden for all Americans.

If we can reduce the middle income taxpayers' burden, in my judgment we will have a fair and equitable tax distribution responsibility, particularly so since we have tightened up in two instances the ability of well-to-do taxpayers to avoid paying Federal income taxes.

1 Furthermore, if you do any more in this regard, any substantial increase, I think you will inevitably dry 2 up the capability of American industry to raise capital. And 3 if we don't have that capability to raise capital in America, 4 we will not be able to finance the building of plants, the 5 modernization of our industrial capabilities and we will 6 not have the wherewithall to expand our job opportunities 7 in the United States. 8

9 QUESTION: In that regard, Mr. President, Governor
10 Carter has also apparently looked sympathetically at the
11 elimination of the double taxation of dividends. Would you
12 be willing to move in that direction in line with your
13 comments with respect to the need for capital in this country?

THE PRESIDENT: Yes, I think that could be a very constructive move in that direction. As a matter of fact, the Department of the Treasury under this Administration has been studying such proposals as the elimination of double taxation on corporate dividends and I think there is merit to that proposal.

THE MODERATOR: Mr. Reynolds.

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QUESTION: Mr. Ford, what are your goals for America over the next four years?

THE PRESIDENT: They can be categorized in two ways: One, what we will do internationally; and what I think we have to do domestically. But let's take our domestic goals for

the next four years.

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2 Now that we have come out of this serious economic 3 problem, I believe we can have a broader vision and a more 4 far-reaching objective as far as 215 million Americans are 5 concerned, and they can be considered under one heading: "The 6 Quality of Life." It seems to me that, number one, we have 7 to make certain that more and more individuals in this country 8 have a job. That means that with our expanding economy, 9 growing population, we have to provide 2,500,000 more jobs each year in order to take care of the young people coming. FOR 10 . 11 into the labor market.

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What we want are jobs in a private sector employment where there is job opportunity, permanency and an opportunity for advancement, a meaningful job.

Number two, we want the opportunity of more people
in this country to own their own home. We have to increase
the number of homes being built and homes that can be sold,
and in order to do that we have to find better ways of
financing a new home, particularly for the young people.

I made some recommendations just the other day that would lower down payments on mortgages and make it easier for young people to finance their mortgages in their early days of employment.

In addition, I think we have to make available
at a reasonable figure better health care opportunities. The

United States has excellent health care opportunities, but we have to make it more available. It will have to cost less.

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In addition, I think we have to do something about 4 crime in America so that people can walk safely on the 5 streets, whether they are old or young, and the people who 6 commit crimes must be put in jail so the innocent victims 7 of crime will have an opportunity to live in safety in their 8 communities.

9 Number six, I think we have to provide an opportunity 10 for recreation and travel, and under the bill that I rece recommended several weeks ago we would expand our national 11 12 park systems by twice as much in the next 10 years.

13 Lastly, peace is a most important objective of this Administration in the next four years -- Ppeace on a 14 15 worldwide basis, and we have it. We have the capability militarily and diplomatically to maintain it, and we will. 16

17 QUESTION: Mr. Ford, you talked of jobs, housing, health care, parks and the environment. All of those may 18 seem to many Americans as new proposals, new ideas coming 19 from a Republican President or a Republican candidate. And 20 I think Mr. Carter, too, talked about your speech in Ann Arbor 21 as being a new campaign by an old Republican President. 22 Is this just campaign rhetoric or are these 23 programs tied to what you have done in the past? 24

THE PRESIDENT: I became President a little over two

years ago. We faced very serious economic problems here at
home. We were still engaged in a war overseas. We had a
loss of faith and trust by the American people in the White
House. We had to solve those problems first in order to
consolidate our position. We had to turn the country around.
And, as we all know, you don't turn a ship of State around
as quickly as you might like to.

8 But we have done it in two years and now that we 9 have made progress coming out of the recession, achieving 10 the peace, and restoring trust, the things that I would like 11 to do, and the quality of life are attainable, and that is 12 why I made those recommendations for jobs, homeownership, 13 reduction in the crime rate, better health delivery systems 14 and better recreational opportunities.

Now that we are strong and on the way to prosperity
and a permanent peace, we can do some of the other things
that should be done.

THE MODERATOR: Ms. Drew.

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QUESTION: Mr. President, I note that in your list of accomplishments for the next four years, or goals, rather, that you did not mention welfare reform. Is there some truth to the view that the longer we put off welfare reform the more difficult it will be to bring it about?

24 THE PRESIDENT: The welfare programs that we have 25 today must be done away with and a comprehensive welfare

program installed or we have to tighten up the present welfare programs and get away from the duplication and overlapping.

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I believe that one or the other approach is what must be submitted to the Congress when Congress reconvenes in January of this year. The present welfare program is a combination of many, many welfare programs added to the basic one that was enacted back in the depression days in the 1930s.

8 It is a hodge-podge. It is overlapping. It has 9 lots of duplication. It is very expensive. But the most 10 important evil in the program is that the people who need . 11 welfare the most are not getting enough, and there are too 12 many people who are getting welfare when they shouldn't 13 quality for it. And, furthermore, there is great public 14 dissatisfaction, not only by welfare recipients but by taxpayers as well because the program is open to fraud. 15

What we have to do is either tighten up the program, getting away from duplication -- and this could be done -- or we have to submit a new program that would follow to some extent the family assistance program of several years ago which Congress did not approve.

Now what are the objectives of a sound welfare
program? Adequate payments to the people who are in need;
number two, a welfare program that keeps the family together
rather than providing an incentive for families to divide;
number three, the new welfare program must get people who are

able to work a job and get them off the welfare rolls.

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In addition, we should put the prime emphasis on the aged and the disabled and if we do this, by either consolidation on the one hand or a new program on the other, we can get away from a scandalous present welfare program that very few people support at the present time.

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QUESTION: Mr. President, to follow up, you say that it could be tightened up. Why hasn't it been tightened up?

THE PRESIDENT: For a number of reasons. Number one. 10 the legislation that Congress passed as they added one welfare 11 program after another, provided too many loopholes and not 12 enough means by which enforcing officers could prosecute 13 those who are guilty of fraud or corruption in the programs. 14 We could, with new legislation, give to the Executive Branch 15 of the Government more authority to take care of the fraud 16 and corruption that exists. 17

Number two, the eligibility rules ought to be improved and Congress refuses to do that. And I can give you a concrete example in the food stamp program. There are too many instances today where those who don't need food stamps are getting them and people who have a real need for food stamps are not getting enough.

I recommended, a year ago, legislation to provide for a reduction in the number eligible but an increase in the benefits for those who are actually in need of food stamps.
Unfortunately, the Congress has not acted on this reform of
the food stamp program. As a matter of fact, the food stamp
program that they are working on will cost more and will not
be bona fide reform in my opinion.

THE MODERATOR: Mr. Gannon.

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QUESTION: Mr. President, I again quote Governor
Carter: "President Ford has turned the economy around
all right. When he came into office, 5 million people were
unemployed. Today, 7-1/2 million people are unemployed -- a
50 percent increase in two years."

How would you respond to that, sir?

THE PRESIDENT: I would put it on the affirmative.
At the present time, we have 88 million people gainfully
employed in this country, which is approximately a 6 million
increase over the 1974 number of people who were employed
when I became President.

We have had an increase in the unemployed, but it has also shown that we have increased very substantially the total number of people employed. And we have gained in the last 17 months 4 million added people on payrolls throughout the country, 500,000 more in the last two months.

Now although the unemployment figure is too high,
I think it is very important for us to have the right
perspective in that we have more people working today than

ever in the history of the United States, and we are gaining
 significantly in adding people to the payrolls of this country,
 primarily in the private sector.

QUESTION: Mr. President, to follow up, another
allegation that is being raised by both Governor Carter and
Senator Mondale is that the economic performance of Republicans
especially in the post-World War II period has been such as
to show higher unemployment and higher inflation than under
comparable Democratic Administrations. How would you answer
that?

THE PRESIDENT: There is a very good answer to that. 11 Under Mr. Truman, under Mr. Kennedy, under Mr. Johnson, we 12 were increasing the number of personnel in the Army, the Navy, 13 the Air Force and Marines. We were sending more U.S. military 14 personnel overseas, and during a number of years during those 15 Democratic Administrations the United States was at war. I 16 don't think that is the right way to lower unemployment 17 percentages. 18

I think we can have peace, we can reduce inflation
 and we can increase employment and reduce unemployment.

QUESTION: Thank you.

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THE MODERATOR: Mr. Reynolds.

QUESTION: Mr. President, your Vice Presidential candidate, Mr. Dole, has said that the two of you support the Republican platform, every paragraph, every sentence, every

1 word. Your current Vice President, Mr. Rockefeller, has 2 suggested he has some serious differences with the Republican platform.

What is your own position? Is there any part of the Republican platform which you do not support?

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6 THE PRESIDENT: The Republican platform approved 7 by 2,259 delegates in Kansas City was a consensus of the 8 Republican views of those delegates. It was recommended by 9 the Platform Committee. There was not unanimity in every paragraph or every sentence, but it was the consensus of the 10 delegates to the Convention. 11

I am the nominee of the Convention and I will run 12 on that platform. There are, to my knowledge, no serious 13 or basic differences between myself and that platform. 14

QUESTION: Would you comment in regards to the 15 difference between the platform and your position on abortion 16 and your attitude toward the Solzhenitsyn language in the 17 Republican platform? 18

THE PRESIDENT: My position on abortion is as 19 Number one, I do not approve of abortion. I do not follows: 20 approve of the Supreme Court decisions on abortion. In fact, 21 the last two, I think, show a very discouraging trend. 22

Number three, I think we should do more in-family planning and related activities in order to obviate the need for abortion. I do not think that a flat Constitutional

amendment that would eliminate all abortions is a practical or the right approach.

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I do support a Constitutional amendment that would give to the people of each State the right to make the decision in their own State. I think that is the way our system operates. We have to have full faith in the good judgment of the American people.

8 And under the Constitutional amendment that I favor, 9 the voters, the citizens in each State, would make that 10 decision. I think that is a practical, proper solution to 11 the abortion question.

12 The Republican platform, I think, fits in with the 13 views that I have expressed. The comments in the so-called 14 morality amendment to the platform I think set forth a very 15 sound basic approach that we ought to have from the point of 16 view of morality in the conduct of our foreign affairs. I 17 support that provision.

THE MODERATOR: Ms. Drew.

QUESTION: Mr. President, there seems to be a consensus building up in the country that the Federal Government is vastly overblown. Do you have plans to reorganize the Federal Government and end some of these dead wood programs?

THE PRESIDENT: I have recommended to the Congress very significant improvements in the operation of the Federal

Government. I submitted regulatory reform legislation for
the airlines, the railroads, and the trucks in this country.
I have also proposed legislation that would require the
Congress, by five years from today, to have taken every program
that involves regulation and if they don't do something to
amend it or get rid of it, then the Executive Branch of the
Government would have that opportunity.

8 That legislation plus the regulatory reform 9 legislation I have proposed would give the Congress and the 10 Executive an excellent opportunity to review the major part 11 of the laws that we have on the statute books that regulate 12 the lives of the American people.

In addition, I think it is well to point out that 13 the Office of Management and Budget and also special task 14 forces have gone into or are in the process of going into 15 every department of this Government, trying to weed out 16 unneeded regulations, and trying to get rid of any administra-17 tive actions that are not needed and necessary so that we can 18 have a more responsive and I think responsible Executive 19 Branch of the Federal Government. 20

Those are constructive efforts on my part to try and get the heavy hand of Government off the back of our taxpayers and our citizens in this country.

QUESTION: On a related matter, Mr. President,
do you see zero base budgeting as a useful tool in this process?

THE PRESIDENT: I can see where the concept has some merit. But I quickly add that in effect, since I have been President, we have analyzed every item in every department of every part of this Federal Government. The net result is we have had, as far as the Executive Branch is concerned, zero based budgeting in the two budgets that I have submitted to the Congress of the United States.

Now I hope and trust that the Congress gives the
budget the same careful analysis that I have given it and if
they had I don't think they would have added about \$16 billion
or more spending over what I recommended.

THE MODERATOR: Mr. Gannon.

QUESTION: Mr. President, in January of 1975 you introduced legislation to decontrol the prices of oil and natural gas. Subsequent to your signing of the legislation bill late last year, you have not mentioned increased prices of oil and gas as something that would be your goal.

18 Are you still in favor of immediate decontrol if 19 the Congress would go along?

THE PRESIDENT: If the Congress would approve it, I think that would be the right approach providing the Congress at the same time included the tax relief provisions that I recommended for the benefit of those who would be inequitably hit by higher oil and gas prices.

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It was a combination of permitting greater

incentives for more oil and gas production. But, as a result of those higher prices the American people -- business, individuals, schools and the like -- were to get tax rebates to make up for the added cost of oil and gas as a result of deregulation.

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The answer is yes, if the Congress would do both
of the things that I recommended in January of 1975.

8 QUESTION: Does that mean, Mr. President, that you
9 will reintroduce such measures in your State of the Union
10 message in January in the event that you get re-elected?

THE PRESIDENT: I certainly would favor changes
in the present energy conservation legislation which was
enacted in December of 1975, and if necessary would incorporate
both provisions that I recommended in January of 1975.

THE MODERATOR: Mr. Reynolds.

QUESTION: Mr. President, you obviously have a great many differences with Governor Carter. Would you summarize or tell us which two or three of those differences you think are most important in this campaign?

THE PRESIDENT: Mr. Carter has proposed a great many additional Federal spending programs and help, and I differ very significantly in that regard. He embraces the Democratic platform which calls for the enactment of some 60 new Federal programs with an annual cost of anywhere from \$100 billion to \$200 billion each year. I do not go along

with such programs as the Humphrey-Hawkins bill and other
 such programs that he has endorsed, or are included in the
 Democratic platform.

In other words, Mr. Carter wants additional Federal
spending. In addition, Mr. Carter has indicated that he would
proceed with substantial tax reform, including a proposal
to increase Federal taxes on individual taxpayers from the
medium or middle income group up to the more wealthy, which
means that roughly 50 percent of the taxpayers in this country
would be hit by additional taxes under Mr. Carter.

In addition, Mr. Carter recommends legislation that, if enacted, would have a very significant impact in further controlling American industry, and controlling our individual lives. He has embraced the Humphrey-Hawkins bill which, if enacted, would have a significant adverse impact on individual liberty and the free enterprise system in the United States.

17 So, I think we can summarize our differences very 18 quickly. Mr. Carter is for more taxes from middle income tax-19 payers on up. I am for a tax reduction for the middle income 20 taxpayer.

Mr. Carter wants a number of new Federal programs enacted into law, all of which will have the impact on individuals and businesses to control our lives. I believe that we frankly have enough programs at the Federal level. We ought to seek to improve those that need improvement, and

we ought to get rid of those that have no need. Therefore,
 there is a sharp difference between him and myself in that
 regard.

QUESTION: Mr. President, Governor Carter would draw,
I am sure, strong exception to a number of your remarks in
describing his programs. Do you think it would be appropriate
for both Presidential candidates to conduct a series of
written debates with specific answers to specific questions
in written form, or do you think that this television debate
is adequate to meet the needs of the American people?

THE PRESIDENT: I think this television debate 11 12 is a wholesome and constructive part of a Presidential campaign. People want to know the differences, more than 13 just in type. They want to see what their prospective 14 President looks like, how he responds to spontaneous questions. 15 They want a general impression as well as the factual 16 information concerning a Presidential candidate. Therefore, 17 I think we should have these television debates and, in 18 addition, I think we should be called upon to respond to 19 questions, such as we both have, to a number of news media, 20 magazines and newspapers. The combination, I think, does a 21 good job for the American voter. 22

THE MODERATOR: Ms. Drew.

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QUESTION: Mr. President, public employee unions have become an important political and fiscal force in some of

our cities. New York City and San Francisco come to mind. Do you think there should be some limits placed on their bargaining rights and right to strike?

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THE PRESIDENT: I believe that Government employees
should not have the right to strike in those public services
that involve the health of the citizens in a community or
in a State or in the Federal Government. In those cases, I
believe there should be a provision in either Federal or State
law, that provides for binding arbitration.

In my opinion, employees of a governmental unit should have the right to organize if they want to. They should not, however, in the case of the health and safety of the people -- in whatever the government unit is -- have the right to strike. There should be binding arbitration.

QUESTION: What would you do if, say, the Postal 6 employees were to go on strike?

THE PRESIDENT: The Postal employees by law are prohibited from striking and, if there was a strike, this President would take the appropriate action, depending on the recommendations the Attorney General and other members, like the Secretary of Labor, would recommend.

THE MODERATOR: Mr. Gannon.

QUESTION: Mr. President, you have stated that the reason you cannot get the Federal budget down more quickly is that much of Federal spending is under legislation enacted

by the Congress. Why don't you ask the Congress to change the laws in the manner that you could get the Federal budget balanced very quickly instead of waiting until fiscal year 1979?

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THE PRESIDENT: In 1975, I recommended to the
Congress certain legislative proposals in a number of areas
that, if the Congress had acted, would have cut back the rate
of growth of Federal spending. Those recommendations by me
would not have balanced the budget but they would have
helped significantly in reducing the size of the deficit.

Even those proposals to make a reduction in the rate of growth of Federal spending were not approved by the Congress. So, anything going further than that certainly would have been rejected by the House and the Senate.

15 I think our best approach is to try and put an overall lid on Federal spending, to restrain the rate of 16 17 growth as I suggested in January of this year from 11 percent 18 to 5-1/2 percent per year and, at the same time, reduce expenditures in those areas where there is no automatic 19 increase in the growth of spending itself by the existence of 20 laws on the statute books. If we do that and are successful 21 in getting the Congress to do it, I think we can get and 22 will get a balanced budget by 1978. 23

QUESTION: Sir, if deficits are so bad as you said on many occasions, shouldn't you be prodding the Congress to

1 get the deficit down even more quickly? Is it enough merely 2 to await some ending of deficits a number of years out? 3 THE PRESIDENT: There are two answers to that 4 question: Number one, we tried hard to get the Congress to 5 do as we have recommended. That is not as far down as you 6 have suggested. But, even at the level I have proposed, 7 Congress has been very reluctant. In fact, they have increased 8 the spending, inevitably increased the deficit by their 9 failure to act. 10 Number two, to go as far as you have recommended . 11 as quickly as you have proposed could have very serious 12 impacts on the American economy. The wrench would be too FOR 13 great in too short a period of time.

QUESTION: Mr. President, in your opinion, was
Richard Nixon guilty of criminal behavior as President of
the United States?

17 THE PRESIDENT: Certainly the House Committee on 18 the Judiciary indicated that he was guilty of charges that 19 would justify impeachment. And impeachment, of course, would 20 have required that he be removed from office. That issue 21 never got to the Floor of the House or to the Floor of the 22 United States Senate where the final decision would have had 23 to be made.

24 Mr. Nixon did resign -- the only President in the 25 history of the United States who has resigned. At the time

that I pardoned Mr. Nixon he, by implication, indicated that he had violated the laws of this country and therefore I think there is no question that the public as a whole feels that he was guilty of a violation as President of the United States.

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QUESTION: I know, Mr. President, you have been asked this question many times before, but if the pardon 8 was a question before you again, would you grant him the pardon today?

10 THE PRESIDENT: If the circumstances were identical 11 today as they were in August and September of 1974, the 12 answer is yes. I think we have to take ourselves back to those 13 circumstances.

14 In August and September of 1974 we were on the brink of the worst recession in 40 years. We were still 15 16 engaged in military conflicts in Southeast Asia. I, as 17 President, was spending about 25 percent of my time trying 18 to get legal recommendations as to what we should do in this criminal proceeding involving former members of the previous 19 Administration, what we should do with the tapes. 20

The problem was that I was spending 25 percent of 21 my time on problems of the past when I should have been 22 spending 100 percent of my time working on the economic 23 recession, the problems of Southeast Asia and the restoration 24 25 of trust in the United States, as far as the public was

concerned. In order to look to the future instead of the past, I decided to grant the pardon and if those circumstances were identical today I would do the same thing.

THE MODERATOR: Ms. Drew.

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QUESTION: Mr. President, you have been somewhat critical of the Supreme Court in your remarks this afternoon. I wonder if you could tell us what qualifications you would look for in selecting a Justice of the Court?

9 THE PRESIDENT: I would have that Justice have the 10 kind of qualifications that Justice Stevens has, and he is . 11 the only person that I have recommended and he was rather 12 quickly approved by the United States Senate, overwhelmingly. 13 Justice Stevens had a long and distinguished career on the 14 Circuit Court of Appeals. Justice Stevens was known as a 15 very outstanding legal scholar. He was a moderate as far as 16 court decisions were concerned. And I must say that I think 17 he has performed admirably as a member of the Supreme Court 18 since his confirmation.

QUESTION: If I may follow up, sir, are you a strict
 constructionist in the same way your predecessor was?

THE PRESIDENT: I believe the Supreme Court should not seek to legislate by court action. The Supreme Court, under our Constitution, has a responsibility to act on whether legislation at the State or local or Federal level is unconstitutional. The Supreme Court has the right to judge

actions by the Executive Branch as to whether those actions are proper or improper. I am a believer that the Court should confine itself to the traditional responsibilities of the Judicial Branch. I do not believe that the Supreme Court should expand its activities, in effect legislating by judicial decree.

THE MODERATOR: Mr. Gannon.

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8 QUESTION: Mr. President, last year a number of 9 American cities were in severe financial straights and many 10 still are. If a large number of our municipal governments 11 were on the edge of bankruptcy, would you reverse your 12 position of no special emergency aid to the cities?

THE PRESIDENT: I don't believe that under our 13 form of government that the Federal Government should bail 14 out a number of cities that have come to the brink of bank-15 ruptcy or gone into bankruptcy by the mismanagement of local 16 officials. I believe that it is possible for the Federal 17 Government in unique circumstances to help, in a very limited 18 way, where that city, before it goes into bankruptcy, has 19 taken corrective action to remedy the problems that were 20 causing serious problems in that city. 21

But for the Federal Government to bail out 50 or 100 cities to keep them from bankruptcy, the answer is no. I believe that those cities have to take corrective action themselves and I think they can,just as I believe New York

City has done under the pressure that we exerted so that they would get their local finances in shape.

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QUESTION: In the case of New York City, Mr. 4 President, should they fall behind on the repayments of the 5 Federal loan that has been made to them, would you allow the City to fall into bankruptcy?

7 THE PRESIDENT: I think they have had ample warning. 8 They have the tools to take the corrective action. I think 9 that is not going to happen, but I think they have to know 10 in advance that they have the responsibility to prevent it 11 and they have the capability to do it. So, in effect, I 12 don't think we are going to face that problem.

13 QUESTION: Could you compare, Mr. President, your 14 own experience with Governor Carter's experience in terms 15 of the responsibilities of the Presidential office?

16 THE PRESIDENT: Number one, I have been President 17 for almost two and a half years and there is nothing like 18 the practical experience of having to deal with serious 19 international as well as domestic problems. In addition, I 20 was Vice President for approximately 10 months and had 21 responsibilities in that office. And those responsibilities 22 included, of course, daily contact with the United States 23 Senate.

24 In addition, I had better than 25 years of public 25 service in the House of Representatives where I served on the

Committee on Appropriations, which is the committee that has jurisdiction over the total Federal budget. I was a Member of two major subcommittees, one on national defense and the other on international relations.

So, I not only had the kind of committee assignments that gave me a good background to be President, but I was minority leader of the House of Representatives for nine years and, during the course of that nine-year period, I had many contacts with President Johnson and President Nixon, with members of the Cabinet and other high officials.

So, I have had a very extensive legislative experience plus the experience as Vice President and President. This has been the kind of experience that, in my opinion, makes it better for me to make the judgments that are needed and necessary to be a good President in the next four years. I think my experience is vastly broader and deeper than that of Mr. Carter.

QUESTION: Mr. President, you cite 25 years in the Congress. Governor Reagan in the Republican primaries used to say that maybe part of the problem was that you had spent too many years in the Congress. The Congress is not a particularly popular commodity in the country. In fact, you had taken some political advantage of the Congress yourself in recent speeches.

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Why does service in the Congress -- if Congress has

not done so well in recent years -- why does service in the Congress serve you so well in the Presidency?

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3 THE PRESIDENT: There are 535 Members of the House 4 and Senate. I think you have to judge each Member on his 5 own individual merit and experience. I think my record in 6 the Congress was one that fits the needs and the requirements 7 of today's problems in the Presidency. Certainly, my 8 experience as a Member of the Defense Subcommittee qualifies 9 me for the passing of judgment on whether our military 10 capability is adequate, whether our needs are greater or . 11 less at the present time.

So I think you have to judge Members of Congress individually, just like you have to judge Presidential candidates individually at the same time.

THE MODERATOR: Ms. Drew.

QUESTION: Mr. President, Congress has failed to act on any number of your nominees to sundry posts. Isn't this another example of failure of leadership on your part?

THE PRESIDENT: The failure on the part of Congress to approve the number of appointees I have recommended in this session I think is an indication, in too many instances, of extreme partisanship on their part. My nominees are all very qualified individuals. We have gone into their backgrounds. We have checked them from top to bottom. They are qualified for the job, not only from the point of view of

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experience but also from a personal point of view.

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So they are up there and they should be approved, but in many cases -- not all -- I think they are being rejected or not acted on because of purely partisan reasons.

QUESTION: Mr. President, isn't this just one more example of the liabilities of divided Government? Wouldn't it really be better in terms of the progress we would all like to make if we were to have a Democratic President with a Democratic Congress, the latter which we will surely have?

10 THE PRESIDENT: The last time we had a Democratic 11 President and a Democratic Congress was under President 12 Johnson and the Democrats in 1965, through January 1969, -- if 13 my recollection is correct -- we added -- not myself but a 14 majority of the Congress on the urging of President Johnson --15 we added over 1,000 new programs in this country. And we 16 are now beginning to feel the heavy burden of those 17 additional programs, all of which require additional 18 appropriations and expenditures. And if you are going to pay 19 for them, more taxes; or if you are not going to pay for 20 them, bigger deficits and more inflation.

So the last time we had a Democratic Congress and
a Democratic President, this Government of ours expanded
in number of employees, it expanded in the heavy hand of the
Federal Government being placed on more people and more
businesses, it expanded to significantly change, in many

respects, the direction of this country. So if we would have four more years of the period from 1965 through 1969, I think it would be very bad.

What we really need is a Republican President and hopefully a Republican House or Senate. But if we can't have that, we certainly need a Republican President with a Democratic Congress so there is some check on the excesses of the Democratic Congress.

9 For example, supposing Mr. Carter had been in the 10 White House for the last two and a half years. I am told by his public statements that he would have signed virtually . 11 every one of the bills that I vetoed, and if he had it would 12 have added \$14 billion to additional Federal expenditures, 13 14 which would average about \$200 million more per taxpayer in this country. Now, that would have been a disaster in my 15 16 opinion.

Therefore, I think we ought to have a Republican 17 President and we will see what happens with the Congress. 19 THE MODERATOR: One final question.

Mr. Gannon.

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QUESTION: Following up on Ms. Drew's question, Mr. President, you have expressed this evening your desire to put a lid on Federal spending growth. Would you favor a Constitutional amendment which would effect that and make the problem of whether you had a Democratic or Republican

President or vice versa irrelevant to the question of keeping Federal spending in check?

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THE PRESIDENT: I can understand the argument of those who say that the only way to properly control Federal expenditures is a Constitutional amendment. My problem -and I am sympathetic to the control of Federal expenditures -my problem is how that could be drafted to give adequate flexibility on the part of a President during wartime or some domestic emergency.

If one could be so drafted that would give sufficient flexibility to a President and/or a President and the Congress, yes, I think there would be merit in it, but I have grave doubts that all contingencies could be adequately taken care of in an amendment to the Federal Constitution.

Therefore, although I agree wholeheartedly with the need and necessity to hold Federal spending down, I think we can do it by other means without going the Constitutional amendment route.

THE MODERATOR: Thank you, Mr. President.

END (AT 3:25 P.M. EDT)

