

PRESS CONFERENCE NO. 4

of the

PRESIDENT OF THE UNITED STATES

10:56 A.M. EST
October 29, 1974
Tuesday

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

THE PRESIDENT: This morning, before the press conference, I would like to announce several appointments, and then we will have the press conference subsequently.

At the outset, let me remind you that on October 8 I announced that Rog Morton would be the head of the Energy Council and that subsequently I would make several other appointments predicated on legislation enacted by the Congress and some reorganization in the Energy Administration.

Rog Morton is here. Rog, I think most of you know him. He is pretty hard to miss (Laughter), but the new appointments are as follows:

Dr. Robert Seamans, former Secretary of the Air Force, and formerly a very high-ranking official in NASA, had a great deal to do with the manned space program, will be the new Administrator of the ERDA, the Energy Research and Development Agency.

Bob, we are glad to have you on board.

Then to head the FEA, John Sawhill is resigning, and we will give him a good appointment in the Government, but the new head of the FEA will be Andy Gibson, who was an Assistant Secretary of Commerce and was in charge of the Maritime Administration, will be the new head of the FEA.

Andy, glad to have you on board.

Then, for the new Nuclear Regulatory Agency, I am nominating Bill Anders, who is currently a member of the AEC, but who will be the Chairman, once confirmed, of the new Regulatory Agency.

You are all familiar with Bill Anders' record as an astronaut and his service as a member of the Atomic Energy Commission.

MORE

Page 2

Then, Dixie Lee Ray will be the new Assistant Secretary of State for Oceans and International Environmental and Scientific Matters.

Dixie Lee.

This is the new team that will be in charge of the energy program, which we will see moving ahead, I think, under Rog Morton's stewardship with the new faces and the experience of Bob Seamans, Andy Gibson, Bill Anders and Dixie Lee Ray.

I thank all of them for taking on these new responsibilities. I think they are an outstanding group of administrators with experience both outside of Government and within the Government.

MORE

So, Rog, you have got a good group, and I am proud of them, and I think they will do a first class job. Thank you very, very much.

With those preliminary announcements, I will be glad now to respond to any questions.

Mr. Cormier.

QUESTION: Mr. President, the Government's leading economic indicators announced today show that last month they experienced the sharpest drop in 23 years. Might this sort of thing prompt you to amend your economic program to put more emphasis on fighting recession rather than fighting inflation? And if so, what steps might you take?

THE PRESIDENT: The 31-point program that I submitted to the Congress and the American people did take into recognition the problems of some deterioration in some parts of the economy, and at the same time recognized the need to do something about inflation.

It was a finely-tuned, I think, constructive program to meet both of these problems.

Now, the program is before the Congress and Congress must act on certain aspects of it. This, perhaps, will take some time and, in the interim, if there are any economic factors which justify a change, I will be open to suggestions.

But at this point, I still believe the plan or program as I submitted it is sound, both to meet the challenge of inflation and any deterioration in the economy.

QUESTION: Mr. President, in view of the Watergate and inflation and other urgent problems facing the Nation, how do you account for the voter apathy in this country?? And I have a follow-up.

THE PRESIDENT: I wish I knew the answer to that, Mr. Sperling. It would seem to me that with the problems we have, particularly at home--both Watergate and others -- that the voters should be extremely interested in the kind of Members of the House and Senate that are elected or defeated.

One of the reasons that I am campaigning is to try and get the voters off of apathy and on to interest. I happen to believe that a big public showing of voter participation would be very helpful, and I am disturbed that these forecasters say that only 42 percent of the eligible voters are going to vote on November 5.

MORE

So, if I can in any way stimulate voter interest, I intend to do so.

QUESTION: That leads to my second question; that is, do you think you are breaking through this apathy? Are you shaking up this disinterest? What is your finding?

THE PRESIDENT: From my contacts with Members of Congress or candidates who are in the various places where I have stopped, they tell me that voter interest has been stimulated by my appearance. I suspect we will get a few who don't approve of my appearance in a certain community, but I believe overall there has been an increase in voter interest as a result of my visits. And as I said, that is one reason why I intend to continue them.

Miss Thomas?

MORE

QUESTION: Mr. President, do you think that Nelson Rockefeller will be confirmed as Vice President, and when?

THE PRESIDENT: I believe that Nelson Rockefeller will be confirmed. I strongly support him today as I did when I nominated him in August. I hope and trust that the Senate and House committees, as well as the two bodies themselves, will act promptly on the nomination. I think he would make a very good Vice President.

QUESTION: Then you don't think the financial problems that have suddenly cropped up will affect the outcome?

THE PRESIDENT: I do not.

QUESTION: Mr. President, the Democratic Study Group, in an analysis they made of your voting record over the last three years you were in the House, showed you voted 86 percent of the time in support of spending proposals beyond the Nixon budget, and it amounted to some \$16.9 billion. How do you square that with your campaign argument that the Democrats are the big spenders?

THE PRESIDENT: I think their own survey, Mr. Lisagor, showed I had a much better record of saving than the Democrats did in the House of Representatives.

In other words, their own document showed that the Democrats were much bigger spenders than I was and that I was a much better saver than they were. So, I will rely on their document to prove that I am a saver and they are spenders.

QUESTION: Mr. President, do you know how you came out net?

THE PRESIDENT: It is my recollection that I was about 8 percentage points better than the Democrats as a whole, so even using their figures or their document, I am a saver and the Democrats are spenders.

QUESTION: Mr. President, sir, I want to know if you are going to sign the veterans G.I. education bill that has been left at the Senate so you would not pocket-veto it, but they are ready to send it down if you are ready to say today you will sign it.

THE PRESIDENT: I worked very closely, Sarah, with the Members of that conference committee in trying to find a solution to a bill that I want to sign. The bill has not come down. It has not been staffed out by my staff. Until it arrives at the White House, I am not going to prejudge what I am going to do. I hope that we can find a way for me to sign it because I want to help the Vietnam veterans, particularly, but until it comes down to the White House, I think it is premature for me to make any decision.

MORE

QUESTION: Sir, it calls for an 18 percent cost of living increase, plus up to 23 percent, and that additional would pay for the cost of going to college. Would that be agreeable to you?

THE PRESIDENT: As I recall, that compromise is 20 percent.

Q Twenty-three percent.

THE PRESIDENT: But in addition, they did add a \$600 loan provision to the veteran. They did add nine more months of eligibility beyond what either World War II or Korean veterans got in the way of educational benefits.

So, when they, the Congress, send the conference report down to me, we will staff it out; I will make an honest judgment. I hope it is a piece of legislation that I can sign.

QUESTION: Mr. President, in your speech before Congress on the economy, you said you would do the hard work of making decisions where to cut. Could you give us some specific examples, maybe half a dozen, of the programs you would like to cut?

THE PRESIDENT: I have had one meeting with the OMB and others on that very subject, and later today, before I go to Grand Rapids, I am spending another hour with the same group. We have a long list of items where they give me certain options.

We have not made any final determination. If all of them were put into effect -- and some of them would require legislative action by the Congress -- I think the anticipated saving in fiscal year 1975 would be around \$7.5 billion.

We are going to make a maximum effort to cut at least \$5.4 billion so there is some flexibility between the 5.4 and the 7.5, and I am going to continue to work on it. When Congress comes back, we will have some recommendations.

QUESTION: Mr. President, ~~some~~ specific now of some of those programs that you would put priorities to cut?

THE PRESIDENT: I would rather not give you any specifics because it is a long shopping list, and I think it is unwise for me to be categorical as long as I try to make an honest judgment on which of maybe a hundred or more proposals they have submitted to me for consideration.

MORE

QUESTION: Mr. President, a two-part question on foreign affairs.

Number one, the emergence of the PLO in the Middle East, how does this affect our position regarding the Middle East?

And the second part, also on foreign affairs, negative reports out of Japan, anti-American feeling and items like that, whether you are reconsidering going to Japan.

THE PRESIDENT: Let me answer the second question first.

No developments in Japan have changed my attitude. I intend to go to Japan, as has been planned for some time.

The decision by the Arab nations to turn over the negotiating for the West Bank to the PLO may or may not -- at this stage we aren't certain what impact it will have on our role in the Middle East.

We, of course, feel that there must be movement towards settlement of the problems between Israel and Egypt on the one hand, between Israel and Jordan or the PLO on the other, and the problems between Israel and Syria in the other category.

We have not had an opportunity yet to make any firm decision on what impact there will be from this Arab decision. I can only say that we think it is of maximum importance that continued movement toward peace on a justifiable basis in the Middle East is vital to that area of the world, and probably to the world as a whole.

MORE

QUESTION: Mr. President, as one who knows the House better than we do, what is your best estimate now of Republican losses or gains in the House, and what would be the level which would make your efforts seem all worthwhile?

THE PRESIDENT: I don't like to get into a numbers game. I did it on one occasion back in 1966, but I had somewhat different responsibilities then. I can only say that it is important to have a competitive relationship or ratio in the House as well as in the Senate.

It seems to me that if you have a reasonably close ratio of Democrats to Republicans, the public is better off. They get better legislation. They get better handling of appropriations. They get, I think, a better tax bill, whenever the relationship between the two major political parties is reasonably similar.

At the present time, in the House I think it is 243 to 187. I would hope that that ratio would not be seriously changed.

QUESTION: Mr. President, I would like to ask you about your energy program. Why have you dumped John Sawhill? Was his advice too blunt and politically unattractive at this time?

THE PRESIDENT: Not at all. I put a new man in charge -- Secretary Morton. He replaced the Secretary of State (the Treasury), Bill Simon, who went over to the Economic Council.

Rogers Morton and I discussed the kind of a team that he wanted and that I thought would do a good job, and the people that I have nominated fit that pattern.

QUESTION: Mr. President, I wonder if we could return to the Rockefeller affair. If you had known then, before the nomination, all that is public knowledge now about Mr. Rockefeller's financial dealings, would you still have named him to be your Vice President?

THE PRESIDENT: I think I would. Nelson Rockefeller has been a superb Governor of the State of New York. He served both Democratic and Republican Presidents in the past in the Executive Branch of the Government. It is my judgment that he would be a very good Vice President. And therefore these disclosures indicate that he does believe in helping his friends, and a man of that wealth certainly, in my judgment, has that right to give as long as the law is obeyed, and as I understand it, he has.

MORE

It seems to me that his qualifications from previous public service fully qualify him to be Vice President, and therefore I fully support his nomination.

QUESTION: Mr. President, as the only living veteran of the Twenty-Fifth Amendment, how say you as to its continuance?

THE PRESIDENT: I believe the Twenty-Fifth Amendment has served a good purpose, despite my own involvement in it. But leave that aside. It was, of course, if you go back and study the history of it, actually proposed and approved for quite different reasons.

On the other hand, in the last year, certain circumstances have arisen which in my judgment may prompt the need for some changes.

I think, for example, the Congress ought to study the desirability of putting a time limitation on the time that the Congress should have for the consideration, approval or rejection. But these are matters that Congress can, in the remaining days of this session or in the next session, investigate, because of the experiences of the last year or so..

QUESTION: Mr. President, your friend, Paul McCracken, has said that we are entering a V-shaped recession, and we ought to call a spade a spade. Yet Administration officials have been avoiding the word "recession". Would you apply that term to our economic condition now?

THE PRESIDENT: Recession has been defined. I think the National Bureau of Economic Research actually is the authority on this matter. It is my understanding they are going to come up with some answer on this question in the very near future.

But let me make an observation of my own, if I might. We are facing some difficult economic circumstances. We have too many people unemployed, and we want to do something about it. And my economic package that I submitted to the Congress and the American people will do something about it.

The American people are concerned about inflation, and my economic program would do something about inflation. So what we have tried to do, instead of getting into semantics, is to offer constructive proposals to meet the problem. Whether it is a recession or not a recession is immaterial. We have problems. The plan I submitted is aimed at solving those problems and, therefore, I really do not care what the name is. We want solutions, and my proposal, I think, will offer that opportunity.

QUESTION: Mr. President, since Secretary Kissinger has been to Moscow, do you have any optimistic outlook now on the SALT agreement?

THE PRESIDENT: I believe that the Secretary's discussions with the General Secretary, Mr. Brezhnev, were very constructive. Some of the differences, as I understand it, between their view and ours, have been narrowed. As a result of the progress that was made in Moscow, the announcement was made that I would meet with Mr. Brezhnev in Vladivostok the latter part of November. We hope that each step will mean more progress and that we will end up with a SALT II agreement.

QUESTION: Mr. President, your Press Secretary, Mr. Nessen, has hinted or implied that you may be considering limiting oil imports; that is, limiting imports of Arab oil if necessary to make your goal of cutting oil imports by one million a day, perhaps in the form of a dollar figure, a dollar limit on imports. Are you considering it? Is this a live possibility?

THE PRESIDENT: Our first objective is to cut the 6 million barrels per day imports of crude oil by one million barrels. We believe that with the energy conservation recommendations we have made, that objective can be accomplished.

However, if there isn't the saving of one million barrels per day of oil imports by voluntary action, we will, of course, move to any other alternative, including the possibility of mandatory limitations, to achieve that result.

That is essential from the point of view of our economy, our balance of payments, et cetera.

QUESTION: Mr. President, if Mr. Rockefeller is confirmed, would you ask him to refrain from giving gifts as he has given in the past to public officials and other politicians?

THE PRESIDENT: My judgment would be that Mr. Rockefeller would use excellent judgment in the future in however he wishes to dispense the funds that he has available.

I think that his approach in the future would certainly be related to the experiences he has had in the past.

QUESTION: Mr. President, there is a lot of talk on the Hill that Congress might come back after the election and vote themselves a pay increase. There is also talk that if they don't do it this fall, it certainly will be voted early next year. Would you sign a bill that would provide Congress with a pay increase at this time?

MORE

THE PRESIDENT: I think it is premature for me to make any judgment. I have not talked to the Democratic or Republican leadership about the matter. I know of no specific proposal by the Congress nor by this Administration, so I don't feel that it is appropriate for me to make any judgment at this point.

QUESTION: Are you planning any other Cabinet changes, particularly in the Agriculture Department?

THE PRESIDENT: I think Secretary Butz, over a period of three or four years, has done a good job. He has been very outspoken. He is a good, hard worker and I have no plans to remove the Secretary of Agriculture or no specific plans to call for the resignation of any other Cabinet officer.

QUESTION: Mr. President, could you tell us the status of negotiations on the Nixon Administration's tapes and documents? Are they still in the White House or --

THE PRESIDENT: They are being held -- I can't give you the precise location -- but they are being held under an agreement with the Special Prosecutor's office and, of course, now there are two other elements that have developed. One, Judge Richey has issued an injunction concerning all or some of the documents. A third involvement is a law suit by former President Nixon against the head of GSA, Mr. Sampson, so we think, under the circumstances, and particularly under our agreement with the Special Prosecutor's office, they should remain intact until legal matters and any other commitments have been handled.

QUESTION: Mr. President, could we pursue the Sawhill matter for a minute, please, sir?

THE PRESIDENT: I can't see who asked that. I can't see with the lights and without my glasses.

QUESTION: What policy differences, sir, did you and Mr. Morton have with Mr. Sawhill which precipitated his resignation?

THE PRESIDENT: As I said a moment ago, I appointed a new man to head up the Energy Council and that requires, I think, when you give a man a new assignment, the opportunity to make recommendations for those that will work with him on the Council. It seems to me that with Rog Morton being given that job, he ought to have the right with my approval, to make changes, and that is why we made the changes. I think they are good people. Mr. Sawhill, whom I admire, will be offered a first-class assignment in this Administration.

MORE

QUESTION: Are you saying, Mr. President, that there were no policy disagreements?

THE PRESIDENT: I don't think there were any major policy differences. I think there may have been some differences in approach or technique, but if you give a man a job, you have to give him the people he wants to carry out that responsibility.

QUESTION: Mr. President, in Oklahoma City, you said that overwhelming victories in Congress this fall by the opposition party, being the Democrats, would seriously jeopardize world peace. This is our first chance to question you on that. I was wondering if you would elaborate on that. Did you mean it in the sense that some Democrats accused you of demagoguery or is this consistent with your original announced policy that you were going to try to unify the country after Watergate?

THE PRESIDENT: I think the facts that I referred to involved the conflict we had with a majority of the Members of the House and Senate over the limitations and restrictions they put on the continuing resolution. Those limitations and restrictions on that particular piece of legislation, in my judgment and in the judgment of the Secretary of State, will make it more difficult for the United States to help the Greeks. It will make it more difficult for us to work to bring about a negotiated settlement in the Cyprus matter.

That Congressional limitation will not help our relations with Turkey.

I point out that both the United States and Turkey are members of NATO and if our relationship with Turkey is destroyed or harmed, it will hurt our interest as well as NATO's.

Secondly, we do have an agreement with Turkey as to some military installations and those installations are important for both Turkey and ourselves and if, through Congressional action, we undercut our relationship with Turkey, hurt our relations with NATO, hurt the Greeks--because it will make it more difficult for a settlement of the Cyprus matter--then I think the Congress has made a mistake and if a Congress that is more prone to do that is elected on November 5, it will make our efforts much harder to execute and implement foreign policy to build for peace and maintain the peace.

MORE

As Mr. Nessen explained in a subsequent press conference, I was referring as much to Republicans as I was to Democrats who don't cooperate in giving a President of the United States an opportunity to meet the day-to-day problems that are involved in foreign policy.

A President has to be able to act. He has to be able to work with allies and with some potential adversaries and if the Congress is going to so limit a President, whether he is a Democrat or Republican, that he has no flexibility, in my opinion, the opportunity for a successful foreign policy is harmed considerably.

MORE

QUESTION: A follow-up question, please, Mr. President.

How would overwhelming Democratic majorities in Congress undermine your policy and Secretary Kissinger's policy of detente and relations with China?

THE PRESIDENT: Let me say at the outset the Democratic leadership -- both Senator Mansfield and the Speaker of the House and other leading Democrats -- was very helpful to me in that struggle that I just described.

If you will carefully read, which I have, reread my statements both in Oklahoma City and Cleveland, I was very careful not to be critical of the Democratic leadership because they did try very hard.

The problem was the troops did not believe either their own leadership or the President of the United States.

If we have a runaway Congress that does not understand the need and necessity for the broadening of detente, that does not understand the need and necessity for a continuation of our policy vis-a-vis the People's Republic of China, then it is going to make it much harder for a President to carry out a policy of peace abroad.

Now, a runaway Congress is one that does not, at least, pay some attention to their own leadership on both sides of the aisle and to the President of the United States.

QUESTION: Mr. President, can I get back to the conversation with General Haig in early August. I know you said there was no deal or no commitment, but sometimes things are done more subtly. When he brought up as a sixth option the possibility of a pardon; did you point out to him that in your testimony on confirmation you had indicated opposition to such a move, or did you in some way indicate to him that you might be inclined -- without exactly saying so -- that you might be inclined to go along with an early pardon?

THE PRESIDENT: I think the testimony I gave before the House Committee on the Judiciary or subcommittee of that committee speaks for itself, and I will stand by that testimony.

I would like to point out, in addition, in the testimony before the Senate Committee on Rules and Administration, I answered it as follows:

MORE

One, I did not think the American people would stand for a pardon, in answer to the hypothetical question that was asked me.

Secondly, because I was not familiar with the precise authority and power of a President to grant a pardon, I did not want to get into any of the technicalities involving that issue, but the testimony I gave before the House committee will speak for itself, and I will let it stand at that.

QUESTION: Mr. President, looking a bit further down the road on your anti-inflation program, sir, do you have any particular figures or program in mind for your 1976 budget, which is now in the process of being prepared?

THE PRESIDENT: That is another matter that I will be working with Roy Ash and his people on after we get through the long shopping list of proposed recissions, deferrals and cutbacks for fiscal year 1975.

I can assure you it will be a tight budget, a very tight budget, because we do have to hold the lid on spending, not only in the remaining months of fiscal year 1975 but we have to reassure the American people that in the next fiscal year we will be just as firm in controlling and holding down expenditures.

QUESTION: Mr. President, when you say a tight budget, do you mean a budget surplus or balanced or possible deficit?

THE PRESIDENT: Our objective will be a balanced budget. We will do the very best we can.

THE PRESS: Thank you.

THE PRESIDENT: Thank you very much, ladies and gentlemen.

END (AT 11:30 A.M. EDT)