

PRESS CONFERENCE NO. 11
of the
PRESIDENT OF THE UNITED STATES

6:03 P.M. EST
March 17, 1975
Monday

In the Auditorium
At the Center for Continuing
Education
South Bend, Indiana

THE PRESIDENT: Good afternoon.

It has been a great and wonderful day here in South Bend. I thank everybody for it, and I am looking forward to this news conference.

Mr. Jack Colwell.

QUESTION: You and Father Hesburgh today had some very kind things to say about one another, and you also had an opportunity to speak with him privately. Do you have any plans for any additional appointments or duties for Father Hesburgh in your Administration?

THE PRESIDENT: Father Hesburgh has done a superb job on the Clemency Board, which is a very time-consuming responsibility. The Clemency Board had a great upsurge in applicants.

I think Father Hesburgh and the others on the Clemency Board are going to be pretty busy in the months ahead. But, let me assure you and others that someone who has as much talent and tremendous civic interest, once that job is over, I think we can use someone like Father Hesburgh in many more responsibilities.

QUESTION: Mr. President, you have said the question of personalities is really not vital to a settlement in Cambodia. My question is, is the survival of a non-Communist government in Cambodia vital to the U.S. security in Southeast Asia?

THE PRESIDENT: Miss Thomas, I think it is. I cannot help but notice that since the military situation in Cambodia has become very serious, and since the North Vietnamese have apparently launched a very substantial additional military effort against South Vietnam, against the Paris peace accords, there has been, as I understand it, in Thailand -- according to the news announcements this morning -- a potential request from Thailand that we withdraw our forces from that country.

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I noticed in the morning news summary before I left Washington that the President of the Philippines, Mr. Marcos, is reviewing the Philippine relationship with the United States.

I think these potential developments to some extent tend to validate the so-called domino theory, and if we have one country after another -- allies of the United States -- losing faith in our word, losing faith in our agreements with them, yes, I think the first one to go could vitally affect the national security of the United States.

QUESTION: May I ask another question I have had on my mind for a long time? Since you supported the invasion of Cambodia five years ago, would you do the same today?

THE PRESIDENT: That is a hypothetical question, Miss Thomas, because under the law I have no such authority to do so. I did support the activities then, the so-called Cambodian incursion, because the North Vietnamese were using that area in Cambodia for many military strikes against U.S. military personnel in South Vietnam.

It was a successful military operation. It saved many American lives because those sanctuaries were destroyed.

Since I do not have the authority to undertake any such military obligation--we have no U.S. military forces in South Vietnam--I think it is a hypothetical question, which really I cannot answer.

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QUESTION: Mr. President, in view of your commitments for Food for Peace programs and your national interest in slowing down increase of food prices, what kinds of farm support legislation will you support?

THE PRESIDENT: I believe the current farm legislation is good legislation. I helped, when I was in the Congress, to obtain its enactment. It has resulted in freeing the Federal Government from trying to run agriculture in the United States. It has resulted in the greatest production of food and fiber in the United States.

It seems to me that this law which was passed several years ago is good legislation. It has supplied our needs. It has made it possible for the United States to contribute very significantly in the Food for Peace effort around the world.

Therefore, I think it is wise, under these circumstances, for us to keep this law and not tinker with it at the present time.

QUESTION: Mr. President, Clark Clifford said today that he has already been questioned by the Rockefeller Commission about a possible CIA assassination plot. Since you created the Commission, I wonder if you think this is a proper area for the Commission to get into?

THE PRESIDENT: Mr. Cormier, let me say at the outset that this Administration does not condone, under any circumstances, any assassination attempts. We, in this Administration, will not participate under any circumstances in activities of that sort. Now, I have watched with interest and personal attention the stories and some allegations to the effect that assassinations were discussed and potentially undertaken.

I have asked members of my staff to analyze the best way in which this serious problem can be handled. I did discuss it with the Vice President last week and I expect within the next several days that I will decide the best course of action for the Rockefeller Commission, or any Executive Branch investigation of such allegations.

QUESTION: Then, you think it should be gone into at least semi-publicly?

THE PRESIDENT: It is a serious matter and I will decide within the next few days the best course of action for the Executive Branch to take on these allegations.

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QUESTION: Mr. President, earlier today here number of young people protested it was inappropriate for you to receive an honorary Notre Dame degree because they considered your lack of sensitivity to the poor and your decision to refund the war in Indochina. What would be your response to that?

THE PRESIDENT: I think you will find the budget I submitted in January of this year was a very sound budget. It was not an austere budget. It did provide substantially for the poor in many respects. It provided for an expanded Community Development Act of \$1 billion 600 million more for next year than for the current fiscal year. It did provide \$202 million for the Older American Act which is a substantial increase in this area over the last several years.

We have proposed, and we will support, a responsible program to help the poor in this country. And I think the budget that I submitted in January does just that.

QUESTION: Mr. President, in your speech here at Notre Dame earlier today, you made a strong pitch for continued foreign aid despite the recession and I was surprised you failed to mention your proposal for more military aid to Cambodia and South Vietnam. I know military aid to Southeast Asia has been unpopular on many college campuses and I wonder if your failure to mention that was because you feared you might be booed or there might be a walkout by students if you professed your policy on that issue?

THE PRESIDENT: The speech that I made this morning on the Notre Dame campus was aimed at the broad concept that the United States must participate in world affairs; that this was a world in which we all lived. I pointed out I had always supported as a Member of Congress the mutual security and the foreign aid programs, both economic, Point IV, Food for Peace, as well as the military assistance programs.

It seemed to me that we needed a restatement of the basic reason why foreign aid is important; that we live in an interdependent world and that the United States has to make its full contribution in that regard.

The details can be discussed, the details can be argued, but we needed a restatement, a strong restatement of the broad general reasons why this country has to be a part of the one world concept, working with our allies, trying to eliminate difficulties between ourselves and our adversaries, and it seemed to me if that could be restated, we could work out the details within that concept and not rekindle the differences and difficulties that existed while U.S. troops were stationed and fighting in South Vietnam.

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QUESTION: Let me follow that up. If you had made a strong plea today for military aid for Cambodia and South Vietnam, do you think it would have been well received by the student audience?

THE PRESIDENT: Since I did not consider that as a part of my remarks, I really did not consider the hypothetical question you are asking me.

QUESTION: Mr. President, the Republican candidate for Mayor of Chicago, Mr. John Hoellen, has stated over the weekend that he was either snubbed or given very short shrift by you at the White House. The Cook County Republican Committee is in a state of chaos, and the Republican Committee in Illinois is not much better off.

What are you going to do for Mr. Hoellen, and what are you going to do for the Republican Party in Illinois in order to win it in 1976?

THE PRESIDENT: I seldom interject myself into local partisan elections. I do believe, however, that the President ought to be as helpful as he can in a state-wide partisan way at the proper time.

I do believe that the state organization in Illinois is rebuilding and getting ready for the state and national elections in 1976. I consult with Senator Percy. I consult with the Illinois Republican delegation, and I think in that way I can be a participant in making the Republican Party in Illinois a viable political party in the very important elections of 1976.

QUESTION: Do you plan to ask Donald Rumsfeld to assess the situation? It has been reported that you would.

THE PRESIDENT: Don Rumsfeld made a speech in Illinois Friday night, and I have not had an opportunity to discuss with him his observations based on that speech, but I do intend to, probably tomorrow or the next day.

I have a great deal of faith in Don's understanding of the problems in Illinois, and a great deal of faith in his judgment as to how I and we can help in that regard.

QUESTION: Mr. President, at a time when you say you are trying to end the recession, the money supply in the United States has not increased hardly at all. In the last six months of 1974, the money supply grew by less than 1 percent, and in November, December and January it actually showed a decrease, one of the very few times it has in modern times.

Are you personally satisfied, from the standpoint of ending the recession, with the speed or with the rate of growth in the money supply in this country?

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THE PRESIDENT: I met with Arthur Burns, the head of the Federal Reserve, last week. He, of course, is the head of a very autonomous part of our Federal Government, but I do meet with him frequently to get the benefit of his views on our economic circumstances.

I did ask what was the situation, because there had been criticism such as you have indicated. It was pointed out to me by him -- and there were a number of charts that were shown which show the facts to be contrary to the facts that you have stated -- that M-one, two, three, four, five, six, and seven -- all of them show an increase, and I am one who has great faith in Dr. Burns.

We are showing an increase in the money supply. There will be an adequate money supply available for the current economic circumstances we face, and there will be an adequate money supply to meet the problems we have down the road.

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QUESTION: Mr. President, I don't know what Dr. Burns' charts showed you about long-term interest rates which, as you know, are the principal factor in capital formation, but I wanted to ask you this: A lot of people, a lot of economists, are worried that Dr. Burns and Mr. Greenspan, and so forth, are going to take this thing down just as far as they can and wring the last bit of inflation out of it that they can and then try to turn it around.

Are you satisfied, or what confidence do you have we won't go so far with this thing that we can't turn it around?

THE PRESIDENT: Of course, we have made substantial progress in trying to win the battle against inflation.

Last October, the rate of inflation was something like 13 percent. The last figures released about three weeks ago showed it was down to a 7.2 percent on an annualized basis.

Now, the charts that I also looked at, it showed that short-term interest rates had gone from something like 13 percent down to about 6 percent and it showed that the trend on long-term interest rates was also a favorable one, going more slowly down than the short-term interest rates, but the trend is encouraging, and if we act responsibly and don't have a larger deficit than I have proposed in the Federal Government so that the Federal Government does not go in and sop up all of the money that is needed, we can keep the trend in long-term interest rates going down.

QUESTION: Mr. President, the steel workers and auto workers in your State and in Indiana are still out of work. What can you say to them by the way of encouragement? How far do they have to wait?

THE PRESIDENT: The biggest stimulant we could get to the economy right now, which means more jobs for auto workers and steel workers, is to get the Congress of the United States to move quickly; to enact a substantial tax reduction at the Federal level.

In January -- I believe on January 15th in the State of the Union Message -- I urged a \$16-1/2 billion tax reduction bill as quickly as possible. It is now two months and two days and the Congress has not completed action on that tax reduction bill. I hope that before Congress goes on its Easter recess, it will enact a tax reduction bill like the one I proposed, or one that is reasonably acceptable.

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If we could get a tax reduction bill out of the Congress promptly, that would be the best hope to stimulate the economy and to provide jobs for the auto workers and steel workers who are at the present time, particularly the auto workers, in desperate straits.

QUESTION: Mr. President, you have hinted about it before but so far, you have stopped short of saying flatly that Vice President Rockefeller will be your running-mate in 1976.

My question, sir, is: Will he be?

THE PRESIDENT: I did not think I ever equivocated on that and if the interpretation is that I have, then I want to straighten it out right now.

Nelson Rockefeller has been an exceptionally active and able Vice President. I said when I nominated him I wanted him to be a partner. He has been, in the responsibilities on the Rockefeller Commission, in his responsibilities in the Domestic Council.

I think he deserves great praise and I see no reason whatsoever that that team should not be together in the campaign in 1976.

QUESTION: Mr. President, in regard to the Rockefeller Commission's investigation into the CIA, would you, at any time, consider changing their mandate to include an investigation of possible domestic activities by the CIA in regard to assassination attempts?

THE PRESIDENT: Let me reiterate, as a preface, I will not condone -- in fact I condemn -- any CIA involvement in any assassination planning or action.

Now, I did indicate, in answer to a previous question, that I am personally analyzing, looking at, all of the more recent charges of any assassination attempts by the CIA or actual assassinations from its inception to the present.

I am personally analyzing all of these charges. I have asked my staff to bring all of the material that is available to me personally. I have talked to Vice President Rockefeller about it and I will determine within the next few days the best course of action to make sure that the matter is handled in the most appropriate way.

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QUESTION: Mr. President, the State Department announced today that it had found some over \$20 billion (million) in 1974 funds that had been voted for aid to Cambodia and had not been sent, and that it was making that money available now.

Is this an artifice to get around Congressional appropriations, and are there other sources of such funds that could be found?

THE PRESIDENT: I was informed last Friday of what appears to be very sloppy bookkeeping in the Department of Defense, and I condemn it, if it is, and I will not condone it in the future.

I was surprised by these revelations. I don't think it was anything malicious. I don't think it was any purposeful action. But if the money is available and was appropriated by the Congress for the purposes set forth, it will be used according to the law.

QUESTION: Have similar investigations of past Vietnam appropriations been made?

THE PRESIDENT: The Inspector General, as I understand it, found out the \$21 million in Cambodian military aid that was revealed last week to me and publicly announced today.

The Inspector General has a continuing responsibility to find out any and all circumstances, such as the one that we are discussing.

QUESTION: Mr. President, as Father Hesburgh put it in his speech today, you are the first President to set foot on a first-rate campus in about ten years. In that context, in light of the fact that President Nixon fired Father Hesburgh from the Civil Rights Commission, I wonder if you would elaborate on your feelings about restoring better relations with the academic world in the task ahead of you in that respect.

THE PRESIDENT: One of the first actions I took, one of the first trips I undertook, was to go to the campus of Ohio State University. I might say parenthetically, for a Michigan graduate to go to Ohio State is doing double duty.

But I was well received there, and I had a fine opportunity to present a new concept that we have for higher education. This is another opportunity on the Notre Dame campus -- to continue that dialogue that I hope will not only expand but grow by leaps and bounds between the academic community and the Federal Government.

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There is no reason why we should not work together. There are a great many reasons why we should use the talent, the ability, the personnel that does exist on the campuses all over the United States, and I certainly intend to do so in the months ahead.

QUESTION: The second part of the question, how much of a job is there ahead of you to restore better relations?

THE PRESIDENT: Based on the very warm welcome I received at Notre Dame today, I think we are on a good footing, and I certainly will bend over backwards to continue it and to expand it.

I think the dialogue is excellent. About a week or ten days ago I met with ten or 15 top college and university Presidents. That was another step in this better rapport between the academic community and this Administration.

I can assure you we intend to do everything possible to make sure that it works.

QUESTION: Mr. President, will you be giving Congress all the material that is asked for as part of its investigation of intelligence activities?

THE PRESIDENT: The Senate committee has asked for a considerable amount of material. That request is currently being analyzed by the top members of my staff. I will make a judgment on that as soon as we have had an opportunity to review all of the very substantial number of requests.

I can assure you and others that we will do all we can to indicate maximum cooperation, but until we have had an opportunity to review this request in detail, I am not in a position to give you a categorical answer.

QUESTION: Am I to understand this Executive Branch investigation that you raised the possibility of outside the Rockefeller Commission would possibly make it necessary or advisable for you to delay giving Congress the material it has asked for?

THE PRESIDENT: I don't think there is any necessary conflict between the Rockefeller Commission and the one or more Congressional committees. The Rockefeller Commission has been in operation now for a month or two, so they are underway.

They had planned to finish their work within the next month, as I recollect. They may have to go beyond that, depending on certain circumstances, but we intend to make as full disclosure as is possible without jeopardizing America's national security.

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QUESTION: Mr. President, tonight you are meeting with several Midwestern Governors. In light of some sagging revenues at state and local levels and your own budget tightening, what can you tell them about your long-range plans for return of the Federal dollar--both to state and municipalities--revenue sharing and this type of thing?

THE PRESIDENT: In my State of the Union Message and in the budget message, I indicated that I was recommending an extension of the general revenue sharing program with the annual add-on that takes care of the inflation impact as far as the state and local units of government are concerned.

So, I am on record now, urging the Congress to extend the existing general revenue sharing plan.

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QUESTION: Have the dollar amounts that you have been able to expend been affected by the current events?

THE PRESIDENT: It is my best recollection that the amount we recommended for the first year of the extended program is close to \$7 billion a year, which is a substantial increase over the amount that was used in the first year of the present program.

It is a very, I think, generous proposal. It does crank in the inflation factor and if the Congress goes along, I think it will be materially beneficial to the States, and local units of government.

QUESTION: Mr. President, we have not asked you about the gasoline tax lately. This afternoon or this morning, on Air Force One, what Mr. Zarb said led me to believe there may be a softening of the Administration's attitude. Are you still willing to stand by your earlier statement that you will veto any gasoline tax?

THE PRESIDENT: I could not help but notice over the weekend 102 Democrats joined in a statement in the House of Representatives condemning a gasoline tax.

I think a gasoline tax of the magnitude that several have proposed is not the right approach and I do not think the Congress will approve it. I think the energy crisis, the energy program, can be best implemented by the proposal I submitted in January and I hope that in the negotiations between Mr. Zarb and myself, with the Members of Congress on the respective committees, will result in an approach that is comparable to mine, because I think the Congress will pass that.

I have very grave doubts that the Congress would pass a gasoline tax, and certainly, my feeling in that regard was reaffirmed by 102 Democrats putting their name on the line saying they would not vote for one.

And I think there is a better way to do it, and we are going to work with the chairman of the Committee on Ways and Means, hoping to find an answer that is more like the approach that I have recommended.

QUESTION: To follow that up, you did say a gasoline tax of the magnitude that is being proposed by some. I seem to note a shift in your position there. Mr. Ullman has come down from 40 cents to possibly 25 cents. If he were to come down a little further, would you be willing to talk about it? Maybe 20 cents?

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THE PRESIDENT: I read a news report a few minutes ago which said the bill he introduced included a gas tax up to 37 cents over a 3- or 4-year span. I don't think that is the right approach and I don't think it is feasible in trying to get the Congress to act. Therefore, I go back to a program that we proposed which I think will be the answer, which I think the Congress eventually will buy substantially.

I am very happy that we are negotiating. We are trying to find an answer with Mr. Ullman, the Chairman of the Committee on Ways and Means, and I am encouraged by what I understand is the progress that is being made.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you, Mr. Cormier. Thank you all very much.

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(AT 6:30 P.M. EST)