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THE WHITE HOUSE

INTERVIEW WITH THE PRESIDENT
BY
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AND
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PUBLIC BROADCASTING SYSTEM

THE SOLARIUM

QUESTION: Mr. President, we are delighted to join you here today in the Solarium on the third floor of the White House, a charming and homey room.

As you now round out your first year in the White House, do you feel at home here and do you find that you enjoy the "splendid misery" of the Presidency, to use those famous words of Thomas Jefferson?

THE PRESIDENT: Paul, I think my family as well as myself enjoy living here. It is a magnificent home, of course. It can be a little lonely at times. It is big but there are so many wonderful things here that you can enjoy. It is a super place to live.

It also gives you an opportunity to focus in on the problems and it is the problems that come with the House that make it somewhat difficult at times to really relax and enjoy yourself.

QUESTION: Speaking of those problems, Mr. President, I think many people regarded you as something of an interim President when you first assumed office. Do you feel now, a year later, that you have established a Ford Presidency?

THE PRESIDENT: I think we have gradually put together a domestic program and a foreign policy that can be identified as a Ford Administration. As we move in the next twelve to fourteen months I think it will become more and more evident, which, of course, gives us an opportunity in the next election to lay that record out so the public can judge it against any alternative programs submitted by the opposition.

I don't think there will be any problem in identifying what we have done, what we have tried to do and it will be known as a Ford policy or a Ford program, so to speak.

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QUESTION: Let us look back at that first year in the terms that you give, Mr. President. What would you pick out as the things you have done in this first year that make it indeed a Ford Presidency, both in domestic and foreign policy?

THE PRESIDENT: Before getting into foreign and domestic policy, Martin, I think it is entirely proper to say that I have tried to restore public confidence in the government and, particularly, in the Administration, in the Executive Branch, and in the White House. I don't mean to criticize anybody else but all of the polls showed that roughly a year ago there had been a great loss of confidence on the part of the American people in their government. We, the new Administration, with our appointments, with our openness, and with our attempt to be frank and honest with the American people, I think we have turned the corner and there is a restored confidence on behalf of the American people in their government.

Now let us turn to the policy areas. We inherited a very difficult economic situation. The rate of inflation was somewhere between twelve and fourteen percent, the highest in a good many years. That was our immediate economic problem and we undertook some activities both fiscally and in a monetary sense to correct the situation. I am glad to report that it is now somewhere between five and six percent per annum. That is too high, and we had a little setback the last announcement on CPI, the Consumer Price Index.

QUESTION: In fact it indicates it is going to go up 14 percent if it continues at that rate.

THE PRESIDENT: Well, I don't know. That is the new wholesale price figure that came out this morning. But if you annualize the last six months of the wholesale price index, it shows it is almost zero because we had five months of, as I recall, negative increases in the wholesale price index. So I think you have to look at it in a broad span. We have made significant progress in the field of inflation and we are going to continue to do so. It is important. Then, of course, we were faced in January with a precipitous drop in employment and a tremendous increase in unemployment. We adjusted our economic policies to meet that problem without sacrificing our effort against inflation.

We did have an increase of unemployment up to 9.2 percent -- much, much too high -- but the last two months the unemployment figure has gone down from 9.2 to 8.4 and the most encouraging part is the fact that we have had an increase in employment of about 600,000, as I recall the figure.

That is the encouraging thing. We are putting people back to work even though the unemployment figure is still too high. Now this is a very narrow line to follow of still trying to control inflation and at the same time reduce unemployment. I can just assure you we are going to follow a steady, firm, I think correct policy to meet these two challenges.

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QUESTION: When you referred to a correct policy, Mr. President, I would like to remind you that it seems to us that in the past two or three weeks we have had an awakening new concern that inflation may take off again and unemployment is going to remain quite high through the election year of 1976, so do you plan any new measures to deal with the economy?

THE PRESIDENT: I think we have to make certain that the policies we have undertaken are continued. Now those policies are what?

If we were to go along with the Congress that wants to spend a great deal more money -- I drew the line at a deficit of \$60 billion -- the Congressional figures are up to a \$70 billion or \$80 billion deficit for the current fiscal year -- if we were to go along with that kind of deficit figure that the Congress proposes, I think we would be in serious trouble on the reigniting of inflation. So we are still going to veto bills that accelerate expenditures in the Federal Government beyond a reasonable figure.

On the other hand, with the restoration of public confidence by, I think, our responsible action, I believe we are going to regenerate industrial activity, which means more jobs.

Now let me take one aspect of the last six months. We have had the most rapid inventory sell-off in the history of the United States. It is almost unbelievable. The net result is that current inventories in many, many areas of the country, in industries in the country, are down so they have to come up with additional production to meet current daily demands.

With consumer confidence coming back the way it has, and all the pollsters show that, I think our steady, firm and responsible course is going to meet the challenge of inflation and unemployment. They won't be as good as we would like. I am very honest and very frank about it. But we will be moving in the right direction.

QUESTION: Let us take the direction in which we are moving, which we are in today, leaving percentages aside. We have got better than eight million Americans who don't have jobs. We reckon now there are something like 24 million Americans -- 12 percent of the population of this country -- that are at the poverty level or below.

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Many of your critics make the point that while you are a good man and a decent man, you don't show a sufficient amount of compassion, in their opinion, for the people who are unfortunate in that sense, for the people who are on welfare and people who live on food stamps.

THE PRESIDENT: Martin, our welfare program is very generous. Our food stamp program is very generous. A good many Americans think that there are too many abuses both in welfare and food stamps, and I think there are too many abuses. If we could correct the abuses we could be more compassionate to the people who have a real need for both welfare and/or food stamps, or both.

Inflation, Martin, hits the unemployed even more drastically than it hurts the people who are employed, so my compassion is across the spectrum. It is not just aimed at the people who are employed. We want to control inflation to help all Americans, including the unemployed. If we don't control inflation, the ones who are hurt the most are the people who are unemployed and the people on fixed incomes.

QUESTION: Mr. President, no one would argue that inflation isn't a threat, but the concern is that you seem to be more worried really constantly--and it is a conscious decision on the part of your Administration--with inflation than you have been with unemployment.

THE PRESIDENT: I must respectfully disagree with you. This Administration has extended the unemployment compensation program to, I think, 65 weeks. We have broadened the eligibility of unemployment beyond what it ever was in the United States. We have paid more money out in unemployment benefits than any Administration has ever done, so we have shown in dollars and in programs a deep concern for the unemployed. We have gone along with a public service employment program up to the maximum authorized by the Congress.

QUESTION: But yet you have also vetoed an effort for a jobs bill that was passed by the Congress.

THE PRESIDENT: Martin, that was, I think, a poor label for a bad piece of legislation. The facts are, I sent up a request for \$1 billion 900 million for public service employment, for a jobs bill that included \$450 million for a summer youth employment program, and the remainder for the public service employment. That shows my interest in the youth who wanted employment this summer, and it shows my interest in the people we could hire in the public service area.

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Now, what the Congress did was to take my recommendation and add \$3 billion in pork barrel programs that wouldn't have solved the problem of the people unemployed today. It was pure Congressional politics of a pork barrel kind and that is the reason I vetoed it.

And what happened? After I vetoed it, the Congress recognized they were wrong and they sent back a bill that included my public service employment, my summer youth program, and added a few hundred million dollars just to satisfy their ego.

Now the truth is we got a good program through and we didn't get a pork barrel program shoved down on the American people.

QUESTION: Let me take this to a somewhat different plane, Mr. President. There are critics who suggest that you have not provided the kind of broad roadmap for the country's future which this Nation with its many problems desperately needs today.

James Reston, writing in the New York Times yesterday, suggested there remains a strain of doubt about your leadership. David Broder, in the Washington Post, suggested that you may in reality be a provisional President.

Does it disturb you that you do not appear to have captured the hearts and minds of a great many Americans?

THE PRESIDENT: I read both of those articles and they are very able columnists. I think we will, with the next State of the Union Message, have some areas that will point the direction in the long run for our country.

I instituted this year what we call a "no new program" approach. Why did we do that? We had to solve our current problems first in order to get our fiscal situation under control. Once we have achieved that result--and I think we have made substantial headway--then we can take a look at and make recommendations for the long-range that will meet some of the problems that are raised by Scotty Reston and David Broder, and by others.

QUESTION: How do you deal with this perception that people have about the lack of leadership, and not only for you but for the Republican Party?

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For example, Senator Brock of Tennessee, of your party, said the Republican Party must come to stand for something and until it does that the word "Republican" will be associated with Watergate and big business and hard times.

THE PRESIDENT: Well, I, of course, deny that this Administration, the Ford Administration, is in any way whatsoever connected with Watergate. The Ford Administration is going to be known, in my judgment, for a successful implementation of economic policy that will provide jobs in the private sector in the long run and in foreign policy will expand our efforts for peace throughout the world.

That is what this Administration will stand for. I think those are good things for an Administration to be remembered over the years for.

QUESTION: If you achieve them.

THE PRESIDENT: I think the record is going to be good and I think right now the public, if you look at the polls, is beginning to perceive that.

The polls show that on a personal basis I am doing much better. It is not as high as I would like. But not many people in public life are doing very well in the polls.

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QUESTION: But also, Mr. President, the polls show that only seven of one hundred Americans by one pollster who happens to be from your home state, Robert Teeter, -- only seven of one hundred Americans today regard themselves as strict Republicans. I think this relates additionally to the fact that rightly or wrongly many members of Congress and elsewhere, your critics, detect a negative quality about your leadership and doesn't that do damage perhaps to your own Presidency and to the Republican Party?

THE PRESIDENT: Well, let me quote, if I might, some other statistics. Most polls that are taken today indicate that a majority of Americans are in the middle of the road or conservative. Now they don't label themselves as Democrats or Republicans. They are talking about a philosophy and maybe labels today are not the right way to identify people's views, whether it is Democrat or Republican. I believe the American people want a healthy economy and a firm and successful foreign policy. That is what we are going to give them and that is what we are giving them at the present time.

QUESTION: When you talk about a healthy economy, Mr. President, there are other problems as well. What do we do about the rising cost of medical care, what do we do about the 12 percent of the population which Martin referred to which is now at the poverty level in this country and what do we do about the enormous problems of the cities which seem to be accelerating?

THE PRESIDENT: Well, let us take the last one first. I think the cities have to recognize that they have a responsibility in the fiscal area as well. The Federal Government has done a substantial amount for cities through the general revenue sharing program and through a multitude of categorical grant programs. The cities have to realize that they have a fiscal management problem, too, and many of them have. Many of our cities are well managed, a few are not.

QUESTION: New York, for example?

THE PRESIDENT: I think the record speaks for itself.

QUESTION: Well, Mr. President, in one area, the welfare area, your outgoing welfare Secretary Weinberger suggested the other day that we should now be giving thought to some kind of negative income tax, in effect a guaranteed annual income. Is that in the future as far as your Administration is concerned?

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THE PRESIDENT: Some time this fall there will be conducted under our Domestic Council -- and the Vice President is acting Chairman; Vice Chairman and actual acting Chairman of the Domestic Council -- and he and his associates are going to conduct some public hearings around the country where a number of areas will be examined by that Council, where people in various communities will have an opportunity to testify, proponents of one approach or another approach. It won't be an organized effort to direct them in any way. Some people say we should modify the present welfare program, and some say we should junk it and come in with a new one. There are a number of other alternatives.

What we are going to do through the Domestic Council is give people throughout the country, and not just the Washington complex, an opportunity to express themselves, to tell us what they think is the answer to the welfare problem. There is an awful lot of wisdom out in the country on what is right and what is wrong about welfare, what we today ought to do about medical care and the costs and the program. As a result of those hearings on a nationwide basis, we will formulate our recommendations in those areas that need change.

QUESTION: But the decision does have to be made here, Mr. President. The decision has to be made ultimately in the Oval Office, and what is your thinking? Is it your thinking that the welfare system in this country is now in such a chaotic mess that some new system must be devised and it is likely to be some form of guaranteed annual income which was a concept that was put forward by Richard Nixon?

THE PRESIDENT: There is no doubt that the present welfare program either ought to be junked and a substitute put in its place, or the present welfare program has to be tightened up very, very greatly. Now, you can get proponents on either side.

When I was in the House of Representatives, I voted twice for the program that was submitted by the previous Administration because I believed then and now that welfare reform was mandatory. Unfortunately, even though the House of Representatives passed that legislation twice, the United States Senate refused or did not act on it.

Now, it is my judgment that we will come out of these public hearings, and we will come up with either some tightening of the existing welfare program or will offer a substitute, and there are a number of alternatives.

I am not going to pre-judge what the public is going to tell us. We want the public to be a participant in this process.

QUESTION: Mr. President, could we return to the question of confidence, which is a real concern. You have been President for a year, and looking back, would you agree with the conventional wisdom, as far as Watergate is concerned, that the system worked?

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THE PRESIDENT: I think the system did work, Martin. It went through a very traumatic period, but if you look back through what happened before August 9, and what has happened since, I think you must come to the conclusion that the system did work.

QUESTION: And looking ahead beyond that, do you think in this year that you have been in office that safeguards have been put into effect that would ensure that we would not have another Watergate? Do you feel there is a sense in the country that you have achieved that?

THE PRESIDENT: Certainly what I have tried to do precludes a Watergate from happening under a Ford Administration, and I believe through the press, through the public and through the Congress, there would never be an opportunity for another Watergate to take place.

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QUESTION: Let me ask you to deal then with a rather remarkable and startling observation made to me by the Special Watergate Prosecutor, Leon Jaworski, a few days ago. I asked Mr. Jaworski if your predecessor had destroyed the Watergate tapes, would he be sitting today in the White House, and he answered "yes."

THE PRESIDENT: I wouldn't undercut any judgment by Leon Jaworski. He knew intimately the content of many of the tapes and he had a special responsibility. So if he made that judgment I am certainly not going to contradict it.

QUESTION: Let us carry it not only to the judgment but its implications and famous observation of Congressman Mann, "Next time will there be a watchman in the night?" What concerns everyone in the country is that after Watergate we now have a crisis of confidence in the CIA, for example, a feeling that it is out of hand and it is not sufficiently accountable. That has to be an enormous concern for you as President. How do you feel about the revelations about the CIA and how do you relate them to the crisis of confidence?

THE PRESIDENT: As a result of some of the revelations, I appointed the Rockefeller Commission. That Commission conducted a very thorough investigation of the allegations concerning the CIA. That Commission has recommended to me certain administrative actions that I should take and some legislative proposals that I should submit to the Congress. My staff has taken the Rockefeller Commission recommendations and the Murphy Commission recommendations, and that Commission got into the CIA to some extent, and I intend to submit to the Congress specific proposals that I think will maintain the CIA and our total intelligence gathering community so they can do the job which is essential for our national security on the one hand and at the same time preclude our intelligence gathering agencies from violating our constitutional rights as individuals.

QUESTION: That is a point that I would like to raise with you. A man that you admire very much, one of your late predecessors, Harry Truman, in conversations with Merle Miller on his concept of the Presidency, remarked on the CIA, and I quote Mr. Truman, "Those fellows in the CIA don't just report on wars and the like. They go out and make their own and there is nobody to keep track of what they are up to. They spend billions of dollars on stirring up trouble so they will have something to report on. They become a government all its own and all secret and they don't have to account to anybody. That is a very dangerous thing in a democratic society."

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THE PRESIDENT: Well, the recommendations that have come from the Rockefeller Commission and from the Murphy Commission and the result of the investigations in the House as well as the Senate, I think, will give to the Congress and to the President the tools to correct the abuses that Mr. Truman spoke of in his conversations.

QUESTION: And you perceive?

THE PRESIDENT: And that I think have to be done in the future to eliminate any possibility of abuses such as Mr. Truman mentioned.

QUESTION: The feeling is that perhaps you yourself as President, in terms of the record of the Presidency versus the CIA, may not even be aware of many areas in which the CIA operates.

THE PRESIDENT: I can assure you, Martin, of two things. One, as a member of the House and a member of the committee that had some jurisdiction over the CIA, but more specifically as President, I have probably gotten into the operations of the CIA and other related intelligence agencies in greater depth than any other President. As a consequence, the proposals that I will submit and the administrative actions that I will take will correct those alleged and actual abuses. I think I know more about the CIA than any other President, certainly since 1945 or 1946 when it was established, and either in the rules and regulations or the law or the personnel we are going to make certain that the CIA does its job in the gathering of foreign intelligence and the analyzation of that intelligence for the benefit of the President, the Department of State and the Secretary of Defense and at the same time will not abuse the proper constitutional rights of 214 million Americans. We are going to do that.

QUESTION: Well, Mr. President, you served in Congress for a long time and Congress is the people's instrument that was really supposed to be protecting us against the excesses of the CIA. It is obvious now that Congress never did its job adequately. Did you ever have any inkling when you say you have been familiar with the CIA since 1946 -- did you have any inkling that these things were going on?

MR. PRESIDENT: I must admit, Paul, that I was not familiar with some of the details that have been brought to light. I was among a very limited number of Members of Congress, House and Senate, Democrats and Republicans, who analyzed the CIA budget and their overall programs but I must admit that that kind of control by the Congress, in retrospect, was not adequate.

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QUESTION: Do you feel that members of the CIA lied to you as a Member of Congress?

THE PRESIDENT: No, I do not think that they lied to me. I won't pass judgment on what they said to others. But I do believe that the control of the CIA by the Congress over a period of years was not as sufficient as it should have been.

QUESTION: Do you feel this is now essential for the future, that Congress must exercise greater control over the CIA?

THE PRESIDENT: I think there has to be some improvement in this area but I am not passing judgment on this program as to the specific recommendations I will make. We are now analyzing various proposals and what the Congress does, of course, is their decision. But I can make recommendations as to how we can tighten up the control and at the same time give to the President and other people who have an interest the information on foreign intelligence which is so essential to our national security.

You have to balance the two and that is a very fine line. I think we can do it. We are certainly going to try.

QUESTION: The Attorney General, Mr. Levi, in reading the material which you sent over from the White House which has not been released to the public about the CIA activities, said he was appalled by some of the things he read. Were you appalled?

THE PRESIDENT: I think some of the things were improper but I must say, Paul, people can judge what others have done and unfortunately sometimes don't put themselves in the position of a previous President or put themselves in the position of a previous Secretary of Defense. I think we can recognize the areas of mistake but I don't like to be a Monday morning quarterback. I think we ought to deal with the facts and we ought to deal with what we should do in the future and learn from the past and I think we can correct these things.

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QUESTION: What we learned from the past, even despite your dislike of being a Monday morning quarterback, is that your predecessors accepted proposals which called for the assassination of a foreign chief of state, for one thing, and brought about the overturn of the government in Chile, for another thing.

THE PRESIDENT: Martin, I am not going to pass judgment on whether there was an order or wasn't an order about assassination. I have said categorically this is an era that is passed. I don't want to point a finger at any other President or Presidents.

I have looked at all of the material. We have given the material to the Church Committee and it is their obligation to, I think, analyze it but not do any finger-pointing.

The CIA has two kinds of operations -- one is covert and the other is overt. Their covert operations, under the procedures we have under this Administration, are carefully monitored, and I can assure you that every one that is done is in the national interest of the United States.

QUESTION: But your predecessors might well have thought the same thing. The concern is the use of the CIA, covertly, if you like, as an instrument of policy and foreign policy by your predecessors.

THE PRESIDENT: Martin, I think we have to understand we live in a real world. Every nation, either a friend or an adversary, has a comparable intelligence gathering and intelligence operating organization in their government. They do it for their own national security.

Now the United States has to compete in this real world. It is a tough world and our national security on many occasions involves doing things in a covert way.

I can only assure you that if and when we undertake them under this Administration, they will be carefully monitored and they will be directly related to the national security of this country. I am not going to pass judgment on what other Presidents did. They were good men, whether they were Democrats or Republicans. They thought they were doing right.

I can only pass judgment on what I want us to do and those are the guidelines that we will follow.

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QUESTION: Speaking of national security and foreign policy, Mr. President -- and I must say parenthetically that you look very fit and relaxed for a man who just came back from Europe -- nonetheless, your trip to Helsinki has encountered a substantial degree of hostility in this country, as you perhaps well know, and rightly or wrongly some people are suggesting that the Russians were the winners at Helsinki and we were the losers. What is your response to that criticism?

THE PRESIDENT: I think that is a completely inaccurate interpretation concerning the CSCE Conference in Helsinki. I think it is a judgment some people make but I thoroughly disagree with it.

Let me just put this in perspective, if I might. We predicated many of the decisions involving borders on what? Peace treaties signed by all of the countries in the 1940s and in subsequent years. No border was agreed to in Helsinki that wasn't previously agreed to by previous American Presidents or by previous governments in other countries.

We provided in that Helsinki agreement for peaceful change of borders. We made it far less likely that there will be military intervention by one country against another.

What we have really done is to make it possible for people in the East as well as in the West, in Europe, to communicate and to re-establish family relationships. We made it possible, if the agreement is lived up to.

QUESTION: If the agreement is lived up to?

THE PRESIDENT: I will come to that in a minute, Martin.

We have made it possible for the news media to have greater freedom in all of the 35 countries.

Now the question you ask is a very good one. Will the agreement be maintained? In my speech before the Conference I said that on paper this is good. We have two years between now and the next meeting in 1977 and the test will be, have all 35 countries lived up to the agreement? It offers a hope. The reality will depend upon the execution.

I happen to believe that world pressure will force all countries, Communist countries and other countries, to live up to the agreement.

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QUESTION: Let us just take one example, Mr. President. You talk about a peaceful change in borders being in the agreement. Now realistically speaking, do you think that the Russians would give up the Baltic territory which they took over at the end of World War II? Do you think they would give up the Eastern European countries? Do you think they would negotiate to give back these countries their independence?

THE PRESIDENT: Let me put it the other way around. If we had not gone to Helsinki, do you think the Russians would have permitted any of the things that you are talking about? In Helsinki they at least signed an agreement that says you can change borders by peaceful means.

QUESTION: But does it mean anything, Mr. President?

THE PRESIDENT: Well, they have signed something that says you can change borders by peaceful means. Prior to Helsinki, there was no such agreement.

QUESTION: Mr. President, you used a very good phrase at Helsinki. You said, "Peace is not a piece of paper," a very memorable phrase, and it conveys this idea that we are talking about now.

Many of your critics -- and let us take it all of the way from Solzhenitsyn to George Ball, former Under Secretary of State -- have voiced concern about legitimizing what George Ball calls a Soviet stolen empire, and asks how do you reconcile that with Western ideals?

The point Ball makes and the point Solzhenitsyn makes is that it is our obligation to follow a policy that is more concerned with morality and principle than the acceptance of these borders would indicate.

THE PRESIDENT: Well, Martin, I go back to the peace treaties of Yalta and Paris and Potsdam, and the agreement by the Germans themselves to establish those borders. Those were peace treaties that established borders for all of Eastern Europe and all of Western Europe. Those are factual things done in the 1940s, 1950, et cetera.

The Conference on European Security and Cooperation didn't change any of those but it did say -- and every one of the nations did sign something, that is different -- that there can be peaceful adjustments of borders.

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QUESTION: But despite what you are now saying, Mr. President, there is in this country, as you well know, a rising amount of criticism about detente itself, people questioning the value of detente.

What is your feeling about this criticism, and do you think this is endangering detente?

THE PRESIDENT: I hope it is not endangering detente because I think there are many pluses to us and, yes, to the Soviet Union. It has to be a two-way street.

I believe that SALT I was an outgrowth of detente. Does anybody want to tear up SALT I? I don't think so. Anything that puts a lid or a limitation on the development of nuclear weapons, the expansion of nuclear weapons -- any agreement that puts a lid or controls, that is good. So detente helped achieve SALT I.

Detente may help -- I hope it will -- SALT II, where we will put an actual cap on nuclear weapons and other nuclear weapons systems.

QUESTION: One of the happiest dividends that detente could possibly produce would be a reduction of forces by the Soviet Union as well as the Western allies in Western Europe.

THE PRESIDENT: I agree.

QUESTION: Was that raised at Helsinki, and did you get anywhere at all with that with Brezhnev?

THE PRESIDENT: As you know, historically, when CSCE was originally agreed to as a program, it was also agreed to that there would be negotiations for mutual balanced force reductions in Europe, MBFR. Those negotiations have been going on now for about two years. They are presently stalled but now that we have the Helsinki agreement, it is my judgment that we have opened up encouraging prospects for additional movement in the MBFR negotiations.

I think the allies and the West are getting together for perhaps a new position. I believe that the Soviet Union and its allies are taking a look at the current stalemated negotiations and may come up with some agreement.

The prospects for a mutual and balanced force reduction in Europe have been enhanced by the Helsinki agreement -- no question about that whatsoever.

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QUESTION: Well, Mr. President, to go back to SALT I for a moment, you said at a recent news conference that according to your investigation the Russians had not cheated on the agreement limiting the use of certain strategic weapons. Your old friend, Melvin Laird, had written an article suggesting that they had cheated. Since then you have talked to Mr. Laird. Have you changed your mind about what you said earlier?

THE PRESIDENT: I naturally investigated the allegations that were made by a number of people, including Mel. After a thorough investigation I have come to the conclusion that a person might legitimately make the charge that there had been violations, but on complete and total investigation I think any person who knew the facts as I know them would agree that there had been no violations of any consequence.

There are some ambiguities -- I want to be frank about it -- but all of the responsible knowledgeable people in the Pentagon or in any of the other responsible agencies would agree with me there have been no serious violations and any that have been called to their attention have been stopped.

QUESTION: But you are suggesting there have been some infractions, then?

THE PRESIDENT: Very minor, but we have what we call a consultative group where if we think they are violating something, we make that point. It is investigated and in the cases where there was any instance that might be an honest charge of a violation, they have been stopped.

The Soviet Union has raised some questions about certain activities that we have undertaken and we have investigated them, and I think that arrangement of the consultative group has been very effective in making sure that SALT I was lived up to.

QUESTION: Let me turn now to the Middle East, Mr. President.

QUESTION: You beat me to it.

QUESTION: We have had intensive negotiations going on now for about two months to try to get a peace treaty moving in this area. What is the prospect?

THE PRESIDENT: They are better today than they were yesterday, and they are a lot better today than they were last March when the negotiations unfortunately broke off.

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QUESTION: Does this mean you are increasingly optimistic?

THE PRESIDENT: I am optimistic on an increasing basis, but I have learned that until it is signed in black and white that I shouldn't predict that it will be finalized.

QUESTION: Let me ask you --

QUESTION: Pardon me, Martin. I want to just ask you one more question in this area. Do you find the Russians are now less troublesome in the Middle East in the efforts to achieve a peace agreement?

THE PRESIDENT: They have acted in a very responsible way during my time in the Middle East. Let me just turn to the question of these negotiations that are going on between Israel on the one hand and Egypt on the other.

Both of those countries have to understand that flexibility at this crucial time is important for the peace of that area of the world and possibly peace in the world. Israel has to be more flexible, and I think Egypt has to respond. If there isn't movement in the Middle East right now the potential for war is increased significantly. And a war in the Middle East today has broader potential ramification than any time in the past, and we have had four wars in the Middle East since 1946 or 1947.

A fifth one not only means that Israel will be fighting the Arabs but the potential of a confrontation between the United States and the Soviet Union is a possibility.

QUESTION: You must have raised that with Brezhnev. How did he react to it?

THE PRESIDENT: We talked about the Middle East. We told them, or I told him, what we were doing. Secretary Kissinger had had a previous meeting with Foreign Minister Gromyko.

I repeat what I said a moment ago, Martin, that the Soviet Union has acted in a very responsible way. I think they understand the potential consequences of no progress for continued peace and understanding in the Middle East.

QUESTION: What do you see, sir, as our future policy towards South Vietnam? Do you think that we will recognize that Communist regime in the foreseeable future?

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THE PRESIDENT: Their current actions certainly do not convince me that we should recognize South Vietnam or North Vietnam.

QUESTION: What about their application to get into the United Nations General Assembly?

THE PRESIDENT: We have taken a very strong stand that we would not agree to the admission of South or North Vietnam unless and until South Korea is admitted. We believe in universality across the board. We don't believe in kicking nations out -- kicking Israel out, for example. We think that would be bad policy.

QUESTION: Did Mr. Brezhnev say he agreed with you on that? They were supporting that movement?

THE PRESIDENT: We let it be known very, very strongly that we believe Israel should be permitted to be a member of the United Nations. That is our position. But on the other hand, we also believe that if you believe in universality, which includes North and South Vietnam, you have to have South Korea.

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QUESTION: Mr. President, when you first took office, you obviously relied a great deal upon Secretary of State Henry Kissinger. Do you now make more of the decisions on your own and do you rely less upon Mr. Kissinger?

THE PRESIDENT: I am not going to get into that discussion. Henry Kissinger and I have the closest possible rapport, personally and professionally. I see him every day for, roughly, an hour. We talk about the Middle East. We talk about SALT. We talk about our total foreign policy. It is a good relationship. It has been from the very first day. It is now and I expect it to continue in the future.

I don't want to get into whether I do more or do less. We are a good team and I think we have made some good decisions.

QUESTION: Are you aware, Mr. President, of the criticism at the Capitol, from Republicans and not just Democrats, that in the Turkish aid fight, for example, that Mr. Kissinger was responsible for your losing that battle to lift the ban against military aid.

THE PRESIDENT: I have heard those arguments but I don't think they are valid. I think the Congress or the House of Representatives in this case made the most serious wrong decision since I have been in Washington, which is 27 years. The Congress was totally wrong--or the House of Representatives--and why do I say that? First, they haven't solved the Cyprus problem. Number 2, they have weakened NATO. Number 3, because of the Turkish aid embargo, they have lessened our own national security capability by preventing us from using intelligence gathering installations in Turkey.

QUESTION: Are you saying Congress is harming our foreign policy?

THE PRESIDENT: There is no question about it. The decision of the House of Representatives to continue the Turkish arms embargo has seriously jeopardized our foreign policy and undercuts in a significant way our own national security, including that of NATO and it hasn't solved, it has not solved the Cyprus problem.

QUESTION: Mr. President, doesn't there have to be a concern for law. There was a law that said that aid that was given to Turkey could not be used as it was used against Cyprus.

THE PRESIDENT: We have lived up to the law. We have stopped, because Congress told us to, the shipment of military hardware that the Turks bought and paid for. Incidentally, they bought and paid for the hardware and because of Congressional action the Turks are now being charged warehouse storage fees for equipment that they own that Congress said they couldn't get.

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But, anyhow, aside from that which I think is a ridiculous development, we have lived up to the law. We are not sending them any military hardware and unfortunately the net result is what I told you. But, Martin, I think you have to recollect a little bit. Who started the problem in Cyprus? It was the Greek Government, it was the previous Greek Government that tried to throw Makarios out and assassinate him and the previous Greek Government wanted to move in with Greek troops and take over Cyprus. As a result of Greek violations the Turks moved in and, unfortunately, have dominated the situation. But the whole program or the whole problem arose by the unwise action of the previous Greek Government.

QUESTION: Mr. President, our time is almost out and I must bring up a subject with which you are obviously quite familiar, namely, the rumors in this town that Nelson Rockefeller may not be your running mate in 1976.

QUESTION: That he is going to be dumped.

QUESTION: Is he going to be dumped or is he going to be back on the ticket?

THE PRESIDENT: I have read the various reports and, frankly, I think it is a tempest in a teapot.

QUESTION: That is what he said.

THE PRESIDENT: I happen to agree with him. Nelson Rockefeller was selected by me because I think he would make and has made a first class Vice President. The realities of the political situation are that I am going to go out with my campaign people to get my delegates. He, of course, will seek his delegates in the interim. I think the team of Ford and Rockefeller has done a good job and at this time I don't see any reason to change it.

QUESTION: Is the position you take one that might finesse Mr. Reagan out of the picture, too.

THE PRESIDENT: I only talk about the affirmative things, Martin. I don't want to get into who did this or who did that or what is going to happen. The realities are that Nelson Rockefeller has done an excellent job as Vice President. He works hard. He is cooperative. He has taken every job I have given him and done really a great job. When you have somebody that works on a team with you, why do you want to change?

QUESTION: Mr. President, on behalf of Martin and myself and all of us in Public Broadcasting, I would like to thank you for the privilege and the opportunity to come here and visit with you today.

QUESTION: With which I concur, thank you, Mr. President.

THE PRESIDENT: Thank you, Martin, thank you, Paul. It has been very enjoyable.

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