APRIL 13, 1976

FOR IMMEDIATE RELEASE

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

OUESTION AND ANSWER SESSION WITH THE PRESIDENT AND THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

THE ROSE GARDEN

5:12 P.M. EST

QUESTION: Mr. President, we appreciate your letting us come and visit with you and your willingness to respond to our questions.

We are going to have a panel question you this afternoon, and they will be, in alphabetical order, first Bob Bartley, editor of the editorial page of the Wall Street Journal; Tony Day of the Los Angeles Times; Tom Johnson of the Dallas Times Herald; Abe Rosenthal of the New York Times, and Howard Simons of the Washington Post.

I am told that as President of the ASNE this year I have the prerogative to ask the first question, and I have a question on your running mate.

Those of us who saw Mrs. Ford dance at the Gridiron last week wonder if you have given any consideration to putting her on the ticket as your running mate? (Laughter)

THE PRESIDENT: She keeps embarrassing me. (Laughter)

There was a recent poll -- I think the Detroit News printed this over the weekend -- which indicated she was doing her job far better than I was, which tends to coincide with some of the other polls that I have seen.

I will leave that up to the delegates, I think.

QUESTION: Mr. President, I see in the Presidential documents that less than a month ago you were saying that while you would fight to have your defense budget approved without change, you considered that hope too optimistic. Now, it seems in fact Congress will give you everything you ask for, or maybe more. I wonder what you think happened in that month to change the outlook so radically?

THE PRESIDENT: I think the answer there is very simple. Don Rumsfeld, the new Secretary of Defense, and myself laid out a program of consultation with the Congress in trying to point out to them the disastrous actions that Congress had taken over the last five years where they have cut somewheres around \$32 or \$33 billion out of the accumulated defense appropriations that have been sent to the Hill.

We pointed out to them if the Congress continued to do that, as they have been doing, and more specifically with the \$7.5 billion cut in the defense appropriation bill that I sent last year, if that trend was continued with such Congressional slashes, the United States military capability could be seriously jeopardized.

We have had a number of meetings -- myself, Secretary Rumsfeld, many others -- and I think we have made some headway, at least the House Budget Committee and the Senate Budget Committee, and their figure gave me precisely the figure or within a few million dollars of what I requested, and the House Committee on Armed Services actually recommended and the House finally approved something slightly over what I recommended.

So, I think the total effort by Secretary Rumsfeld and myself has convinced the Congress that they can't cut this budget as they have the budgets for the last six years.

QUESTION: I know you have been saying recently that this is the largest peacetime defense budget in history, but if you discount for inflation and put it in constant dollars, it is still the second smallest in recent years. I wonder if you had known that you were going to have as little opposition in Congress as you have had, if you would have asked for something more?

THE PRESIDENT: Not at all because when I put the budget together, the total budget, including the military budget, those decisions were made in November and December. I looked at the trendline that the Congress had established by its \$32 or \$33 billion reduction, and I knew that that could not be tolerated. I know also, or knew at the time, that the defense budgets had been in current dollars, had been going up at the rate of about 5 or 5.5 percent, and in order to rectify what Congress had been doing in the budget that I submitted in January, the decisions having been made in November and December put that rate of increase up to 11 percent. So, these were decisions made by me at a time when there was no opposition involved as far as the Republican nomination was concerned.

QUESTION: Mr. President, did you know in advance that Rogers Morton was going to predict that Secretary Kissinger would not last very much longer in his current job?

THE PRESIDENT: I was quite surprised because as far as I am concerned that is not true. And I will reiterate probably in somewhat different words what I have said over and over again for the last number of months, I think Secretary Kissinger has been one of the finest, if not the finest, Secretary of State this country has ever had. I believe that our foreign policy has been successful and you don't get rid of somebody in an organization if they are good and Secretary Kissinger, as I indicated, has been an outstanding Secretary of State.

I think my Administration knows, all of them, how I feel. I don't think those comments will be made in the future. (Laughter)

QUESTION: Even granting all that about Kissinger and making the same assumptions, is it possible that all the controversy surrounding him and coming from many different quarters may undermine his effectiveness as an exponent of your policy that he might feel he might have to resign or withdraw before the end of the year?

THE PRESIDENT: Certainly the constant attacks by some might mislead some of our friends abroad and our adversaries abroad, but if you look at the polls, Secretary Kissinger does uniformly very, very well across the country. So the American people, I believe, as a whole support him as much, if not more than almost any other public official so I believe that the people abroad, whether they are adversaries or friends or allies, understand that we are going through our every four year political partisan experience and they discount it, so I don't think his effectiveness will be eroded at all.

QUESTION: Mr. President, as we were coming to the White House today we saw that former Texas Governor John Connally was leaving.

THE PRESIDENT: You Texans find each other out all the time. (Laughter)

QUESTION: First, would you describe that meeting to us, and, second, would you determine for us if he has been offered a position of Vice President or the position of a member of the Cabinet in this Administration or a future Administration?

THE PRESIDENT: Let me tell you the whole story --(Laughter) -- with reservations. Last night I called John Connally, I wanted to get his reaction to my two days' visit to Texas. I found that he was en route to Washington, D. C., so I left a call where he was going to be staying and he called me when he arrived. We chatted for a few minutes, I said why don't you come in, we can talk a little easier in the Oval Office, so he came in at 3:45. We had a very broad discussion on political matters. I can add as a postscript that he was not offered a job. I did not ask him He did not volunteer. He is out doing his to support me. best to strengthen the Republican Party at fund raisers and State conventions and we had an excellent discussion but there were no offers or no acceptances. I just can't go any deeper than that.

QUESTION: Mr. President, on another front, can you give us your assessment of the leadership changes that are taking place in China today and has there been any discussion in the White House of military aid to China?

THE PRESIDENT: There has been no discussion in my presence of any military aid and assistance to the People's Republic of China. There may have been some discussions that I am not familiar with at a lower level. The new leadership in the People's Republic of China I did not meet when I was in China in December. I doubt if any top officials from any government have met the new Premier. We certainly look forward to an opportunity to meet him, but our knowledge concerning his background is the knowledge primarily that is known through other channels.

QUESTION: Mr. President, what is this Administration's attitude toward the relations between the Communist countries of Eastern Europe and the Soviet Union? We used to talk about them as captive nations and for a long time we did not talk about them at all, and now we talk about organic structures. What do you think should be the relations between these countries and the Soviet Union and our attitude toward them?

THE PRESIDENT: We believe very firmly that those Eastern European countries should be independent, they should be autonomous. They should have the opportunity for complete and total diplomatic relations with all countries. We do not believe that they should be subjected to Soviet Union domination. They should be independent and autonomous.

I have tried to strengthen our relations with a number of those countries. I visited Poland. I have visited Rumania, I have visited Yugoslavia. We believe that it is highly desirable that we should have normal relations with them and they should have normal relations with other countries, and under no circumstances be dominated by any other power.

OUESTION: Was there any change in policy or attitude implied in the Sonnenfeldt memo?

THE PRESIDENT: It has aroused a lot of discussion.

QUESTION: It certainly has aroused a lot of discussion. How do you read it?

THE PRESIDENT: I read it because I was curious as to what it said and when you read it in its entirety the quoted phrases or sentences are, in effect, taken out of context because if you read the total four- or five-page memo, as I recollect, you get a totally different picture than you do when you just read those several sentences.

So, as I see it, number one, I know what our policy is regardless of what the memo says and, number two, I don't think the sentences that were extracted under any circumstances express the foreign policy of this country in relationship to those countries in Eastern Europe.

OUESTION: Thank you. One more. There have been several mentions of the Vice Presidency. Do you plan to do what has long been talked about; that is, to reform the process of the selection of the Vice President when a delegate votes at the convention he is voting for two people, but he only knows the name of one? Do you plan to either tell the convention in advance who your selection would be or to have an open convention in the Vice Presidency?

THE PRESIDENT: I would hope we could be in a position in Kansas City so there would be an opportunity for the delegates further in advance to know an individual that I would prefer or several individuals that I would prefer. I think it is too late to drastically change the procedure and the process at the present time.

On the other hand, if we can get the name or names out before the delegates more quickly, I think it might lead to a better decision or a better feeling by the delegates toward the Presidential nominee and toward the Vice Presidential nominee.

QUESTION: Mr. President, in the primaries to date almost half the voters of your own party have voted against you. Why do you think this is so?

THE PRESIDENT: I have a formidable opponent, but when you come right down to it, we are doing very well in the delegates and the delegates, that is where the ball game is won or lost, and as of now I think we have 250 some firm delegates and my opponent has, as I recollect, around 80.

We think we have a good many more delegates, and as long as you get the delegates, then the difference in the actual votes is not really significant. But, I can only say again I think my opponent is a formidable public figure, but we are winning, and we are going to keep on winning.

QUESTION: On a different note, Mr. President, the CIA has been and still is a mysterious organization and Howard Hughes was a mysterious human being. Can you tell us anything about the link between Howard Hughes and the CIA?

THE PRESIDENT: The only link that I think I can comment on is the one that involved the GLOMAR, where one of his companies was involved in the construction of that ship and its operation. Other than that, I don't think it is appropriate for me to discuss a relationship that may or may not have existed.

QUESTION: Mr. President, yesterday the Senate Budget Committee approved a budget which added some \$16 billion to your spending totals and provided for smaller tax cut than you wanted. Do you consider this a major change and what effect do you think it would have on the economic outlook?

THE PRESIDENT: We think the budget that we put together with a spending ceiling of \$394 plus billion, calling for additional \$10 billion tax reduction beginning July 1 is the right approach. Now, the House and Senate Budget Committees have added roughly 16 -- well, they went up to \$412 billion in one and \$413 billion in another. I don't think that extra spending is needed.

I think the better way to continue our economic recovery is to hold the lid on spending at the figure that I recommended and to give the American people additional tax reduction. We, of course, have no direct impact in the Executive Branch on their resolution as to the spending ceiling.

I can, as they send down appropriation bills or authorization bills, veto them. I vetoed 48 bills so far, and we have had 39 of them sustained, saving some \$13 billion in Federal expenditures. If they send down appropriations bills of the magnitude that is reflected in their spending ceilings, the likelihood is that I will veto them, and I think we will get the Congress to sustain them because the Congress is getting a little more responsible on spending matters.

I really think that from the overall point of view of the economy, a tax reduction of the magnitude I have discussed, plus a spending level that I have proposed, is far better from the point of view of the economy, and we are going to do our best to achieve it.

OUESTION: Mr. President, you were talking a moment ago of your formidable Republican opponent. I would like to ask you if you expect Jimmy Carter to be your Democratic opponent?

THE PRESIDENT: I will stick with my Democratic candidate, and I am trying hard to get him nominated.(Laughter)In doing it for a year, I still think Senator Hubert Humphrey will be the Democratic nominee.

OUESTION: Do you think that this much talked about remark by Governor Carter about ethnic purity of neighborhoods has hurt him in a political sense?

THE PRESIDENT: The real test of that will come in the Pennsylvania primary, which comes April 27. That will be a test as to whether that remark will have any impact on the support that he has heretofore gotten in the black communities of the various States.

There is a very substantial black population in Pennsylvania, Philadelphia, and in Pittsburgh and some other areas. I think whether that comment will have an impact or not will be determined very precisely by that primary.

QUESTION: On that point, what is your own view of open housing and the lengths or the steps the Federal Government should take to bring that about?

THE PRESIDENT: In the first place, I would not use that term to describe any of my policies, period. I do feel that an ethnic heritage is a great treasure of this country, and I don't think that Federal action should be used to destroy that ethnic treasure.

Number two, under existing laws as to housing, as to education, as to where you live, there are Federal laws that are on the statute books. I have sworn to uphold the law in any case, all cases, and this Administration will.

Fourthly, in the area of housing, under the 1974 Act, a great deal more local autonomy and responsibility was given as to where housing should be located. If a local community decides that they want housing of one kind or another, or if an individual wants to build in an area under the law, this Administration will uphold the law.

So, that is an explanation of our policies. I just think that the term that has created so much controversy is not the way to describe the practial situation.

QUESTION: Mr. President, how should the U.S. Government respond to any future military intervention by Cubans and Third World countries such as that we saw in Angola?

THE PRESIDENT: Tom, we have a number of options that cover diplomatic, economic, military -- we have a wide, wide range of options. I can say only that when the problem presents itself, if it does -- I hope it doesn't -- our action will be appropriate to what is done. It will be firm, and it will be very consistent.

QUESTION: Outside of the campaign, sir, could you tell us what your specific agenda will be for the remaining months of this Administration?

THE PRESIDENT: What my personal agenda will be?

QUESTION: No, sir, what do you see are the priority items for accomplishment during the remaining months of this Administration.

THE PRESIDENT: I believe in the domestic field we have a major obligation to keep the firm, steady, and I think successful course in trying to get this nation out of the worst economic recession in 40 years. We are on the way. Everything that is supposed to be going up is going up, and everything that is supposed to be going down is going down.

We are going to follow the firm, steady -- and I emphasize successful -- course we have taken. In the field of energy, we are going to utilize all of the legislation that is now on the statute books to stimulate additional production, to achieve greater conservation, and in the case of Elk Hills, to get some production out of the Navy petroleum reserves.

We do have some other legislation on the Hill in the energy field that I would hope the Congress would pass, such as the deregulation of natural gas. We are a little disappointed in what has happened, so far, but there is still a chance we can get that.

In the international field, we are going to continue to go through the negotiating process in SALT II. I am not going to abandon that effort. I think that is a constructive effort. I can't forecast that we will reach an agreement, but when you look at the added expenditures, the added weapons systems that will be needed if we don't get a SALT II agreement, I think it is the responsible action for the President to try and put a lid on nuclear weapon systems in the strategic field.

We will work on it. There is no time schedule for it, but it is certainly high on the agenda. We will continue in the international field to try and strengthen our NATO alliance, to increase our influence and strength in the Pacific with Japan and our other allies in that area. We have a lot to do, and we are not going to let political campaigning take a higher priority.

Those jobs must be done first, and they will be by me in the remaining time of this Administration up until January 20.

QUESTION: We thank you, Mr. President.

THE PRESIDENT: Thank you very much.

EMD (AT 5:32 P.M. EST)