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INTERVIEW OF THE PRESIDENT

BY

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AND

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LUBBOCK, TEXAS

THE HILTON HOTEL DALLAS, TEXAS

7:52 A.M. CDT

QUESTION: Good evening. I am Dick Benedict.

Thank you for joining us tonight. It is obviously a special pleasure and a thrill quite unlike I have ever had, I must admit it, to welcome the President of the United States, Gerald R. Ford.

THE PRESIDENT: Thank you very much. It is a pleasure to be on the program with you and Rusty and Jay.

QUESTION: It is hard to describe the feeling we have, having a chance to present someone like you to our audience tonight, and I am especially thrilled that you agreed to do the program with us.

With me on the program today is KMK News Director Rusty Jones and Avalanche Journal Editor, Jay Harris.

I want to thank you fellows for being with us. I want to point out before we get started that due to the President's time schedule today in Lubbock he was unable to do the program in Lubbock and we are actually doing this, what is Friday morning, rather early in Dallas. So, we can't be accused of doing anything that isn't exactly right.

I would like to start, if I may, and ask you why is Texas so important. Just about all the candidates have admitted that it is and this is your second swing through Texas. You have covered the State very, very thoroughly. Why is this State such a seeming key?

THE PRESIDENT: In the first place, Texas is a very big State with a diversity of individuals. It has got a broad economy. It has got agriculture. It has got oil. It has got shipping. It has a great diversity both as to people and as to what it does to make America a wonderful country. It has got, of course, a very special time as far as the convention for us in Kansas City and for the Democrats in New York City. So, it is just crucial both as to what it represents and as to the timing.

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QUESTION: How about the domino effect, Mr. President? I think there are 15 more primaries in the month of May following Texas.

THE PRESIDENT: Coming on the first of May, it is sort of a forerunner of what might be happening in weeks to follow. I can't say precisely that what Texas does will be followed by all other States, but certainly it will be a headliner.

QUESTION: I believe in Dallas yesterday you predicted for the first time that you will win the Texas primary.

THE PRESIDENT: We are very optimistic, John. We have a wonderful organization and John Tower has been superb as the chairman of my campaign committee. I think the people of Texas are beginning to see firsthand from me personally that we have the right policies and our country is coming out of the worst recession in the last 40 years because I did the right thing and, furthermore, they are convinced that what we are doing on a worldwide basis is in the best interests of the United States. We are at peace and we are going to stay there.

QUESTION: President Ford, the farmers in the agriculture community of the South Plains in West Texas have held protests, protesting the Government's interference in what they call their business. They say basically the Government lied to them and they feel like they have gotten the raw end of the deal from the start, and particularly during the last couple of years.

What relief can you promise them, and how do we remedy the problems of these people who say they flat cannot afford to stay in business?

THE PRESIDENT: In the first place, we have sold more American agricultural commodities overseas than any other Administration in the history of the United States. This year we will turn \$22 billion worth of American farmer products overseas. This, of course, is a great asset to farmers generally in Texas, as well as otherwise.

Last year we sold \$21 billion worth of what our farmers produced so that we have developed in this Administration more world markets for what our farmers produce than at any other time in our history. Secondly, we are trying to get the Government out of the farmer's day-to-day business and the farm policies that this Administration pursues seeks to give the farmer at his own farm the right to run it without a lot of Government regulation. Thirdly, of course, I have recommended legislation to the Congress that would permit a farmer to transfer his farm to his son and/or daughter more easily with less tax burden.

In other words, we want the family farm continued in a family for one generation to another as easily as possible. We have requested the increase in the exemption so that farmers can pass it without having the tax collectors take it over.

QUESTION: President Ford, let me enter my welcome here for coming to Texas and Lubbock.

You said when we came in that you weren't afraid of the tough ones, so I want to start throwing you a couple or three.

Mr. Kissinger has been going over Africa saying that the U.S. will use economic aid to help black nationalists gain what he refers to as "majority rule" in Southern Africa. Why would this Nation take this stance without putting it into some sort of time frame, and why wouldn't they take this stance without no apparent or open consultation with either Rhodesia and specifically South Africa?

THE PRESIDENT: Let me put the total program in context. This Nation, Jay, well, from our very beginning, has believed in self-determination. That is how we became a Nation.

Number two, this country has traditionally believed that under any and all circumstances we should protect minority rights or guarantee minority rights.

And secondly -- or thirdly, this country is trying to make certain and positive that no nation from the outside, whether it is the Soviet Union or any other nation, dominate by military or economic force Africa as a continent.

Now, as long as we seek to guarantee the minority rights of individuals in Rhodesia, as long as we are certain that there will not be military aggression against Rhodesia, I think we can find a way to have a policy of self-determination for Rhodesia without bloodshed.

QUESTION: Can I pursue that?

THE PRESIDENT: Surely.

QUESTION: I spent about a month in South Africa last year and talked to their leaders. They have offered the United States bases in Simonstown and on the Indian Ocean, and in view of the Soviet buildup in the Indian Ocean and the necessity for us getting our Mideast oil around South Africa, why is it the United States has never used South African bases?

THE PRESIDENT: Well, our first step, as you know, Jay, is to try and get Congress to approve the United States building a base in Diego Garcia, which is in a much more militarily advantageous point for the United States than one of those bases or islands that you are talking about down in the tip of South Africa.

I think we ought to do first things first. If we could get Diego Garcia, which is in the middle of the Indian Ocean, as you know, then we could take a look at these South African bases that you mention. But first things have to come first, and we are having a hard enough time, Jay, getting the Congress to go along with that.

QUESTION: Mr. President, in your campaigning -you were in Amarillo a couple of weeks ago and Dallas
yesterday and early today, and now in Lubbock -- you have
been pledging another tax cut or at least making sounds
along those lines --

THE PRESIDENT: I have pledged it.

QUESTION: To some people that sounds a little like "chicken in every pot" politics. Is it, or can it really be done?

THE PRESIDENT: It could be done if the Congress was wise enough to go along with my recommendations. As you will recall, back in January of 1975 I recommended a \$28 billion tax cut tied to a \$28 billion reduction in Federal expenditures or in the growth of Federal expenditures.

QUESTION: You have to pledge to try to cut?

THE PRESIDENT: That is right, and the Congress went along only with part of what I proposed, but I believe very, very strongly that if we hold the line on the growth of Federal spending -- and we are doing the best we can by some 48 vetoes -- then we can, in all honesty, come up with an additional tax reduction of \$10 billion.

I would like to point out, Dick, that I had proposed better than a year ago an increase in the personal exemption for every individual taxpayer, from \$750 to \$1,000. I don't understand why Congress won't go along with that.

QUESTION: Mr. President, the thing that I am curious about, though, is the realism of all this. The Government is so big, it is so complex, it has been built so many years before you or I or anybody else got here. Can one man actually move that thing in any one direction? Can it be cut down?

THE PRESIDENT: Yes, a President can have a very significant impact on the day-to-day operations of the Federal Government and the future planning and operations of the Government. If you have outstanding people in various Cabinet offices, if you appoint good people to the regulatory commissions, the impact of those individuals selected by yourself can be very significant and, of course, working with the Office of Management and Budget, you can have a very significant impact on the allocation of funds and the policies that are implemented on a day-to-day basis.

Now that doesn't mean that a President can turn a spigot and everything happens just the way he wants it, because there are 2 million civilian employees of the Federal Government and there isn't a personal connection between the President and all of them. But basically, you can set fundamental policy and then it has to be implemented by good people at the top that you select.

QUESTION: Mr. President, Mr. Reagan and Mr. Wallace have received standing ovations each time in Lubbock when they said "I will go to Washington and I will begin dismantling this massive monster we call the Federal Government." Is it possible to dismantle the top-heaviness of the Federal Government? Is it possible, to follow up Dick's question, for the President to begin doing that, and when you talk about dismantling the Federal Government, would this work? Would the people of this country be happy?

THE PRESIDENT: Well, that is a good phrase to use, but I would like to see the blueprint of it when you get right down to where and how and when.

I have made an honest effort to try and reduce the number of employees in the Federal Government. For example, when I first took office I issued an order that there should be a cutback in the planned expansion of Federal employees by 55,000, and we actually achieved the objective of not adding some 55,000 jobs to the Federal payroll. We have squeezed down some of those agencies that we thought were inflated in numbers and in dollars.

But then we come to other problems where the public has indicated they want some action, so we have to give a little more here and a little more there.

The American people obviously want us to do a better job in controlling the illegal aliens coming into the United States over the Texas-Mexican border and they want us to do a better job of getting illegal aliens out of the United States. So you certainly don't want to dismantle the Immigration Naturalization Service; you don't want to dismantle the Drug Abuse Agency; you don't want to dismantle the Customs Office. So you have to deal with it in reality, not in a broad politically motivated term.

QUESTION: Mr. President, you were quoted, I believe yesterday and previously to that, saying that on the Panama Canal issue, which has been bandied about, that you were trying to avoid any guerrilla activity down there and that if we broke off negotiations that there was a real danger of strife and even danger to the Canal itself.

Does this mean we are actually conducting those negotiations under a more or less implied threat, and what would be wrong with saying to the Panamanian leaders, the American people do not expect me, as President, to give up this Canal and we don't intend to, period?

THE PRESIDENT: Jay, let me say we are not going to give up our fundamental national defense involvement in how the Canal is used. We are negotiating, as President Johnson initiated and Mr. Nixon continued and I am continuing, an attempt to find a way so that that Canal will be open to us and useable by us under all circumstances as long as that Canal is economically viable or desirable for military or any other use.

Now any treaty that we sign will last 50 years, well into the next century, and that would certainly be a span of time that would involve the economic utilization of that Canal.

Now if we were to say, as some people have advised that we say, we are not going to talk to you any more, we are going to just hold on to it, do as you want but we are going to forget about negotiations, I think it is absolutely inevitable that we would have more riots as we had in 1964, and if you have more riots the probability exists that you will have guerrilla activity and it is very easy to sabotage the day-to-day operations of that Canal and prevent any ships going through there today and you would antagonize, without a question of a doubt, 309 million South Americans and Latin Americans, and certainly 25 Governments in Latin America, including Mexico, would be very, very antagonistic to the United States.

What we want to do is to keep the Canal operational for our purposes, and we will. And, at the same time, we will keep the friendship of those countries and 300 million-plus people in South America. That is important. And I just think it is unwise, I think honestly it is irresponsible, to say we aren't going to negotiate, we are going to take our negotiators home.

The bad results are inevitable -- bloodshed, riots, the incapability to use the Canal. Words are better than war, as far as I am concerned, in that part of the world.

QUESTION: You do perceive that this is a sore point with the American people and that they do regard that as some sort of a symbol, as far as our foreign policy? In other words, they don't want some tin horn dictator telling us what to do?

THE PRESIDENT: No dictator is telling us what to do. The President of the United States is doing what he thinks is in the best interests of the United States and we aren't being told by the leader of any country anywhere in the world what we, as a country, should do.

QUESTION: It has also been turned into a campaign issue, the question of whether we are one or two militarily. Your opponent has been hammering away pretty thoroughly on that. Most people I have talked to, and have for years, have said we can't make a judgment on that. The President knows what is going on. He has so much better information than we have, and we finally have a chance to talk to him directly.

Sir, where are we?

THE PRESIDENT: In my honest judgment -- and Jay knows I spent 14 years on a day-to-day basis with your fine Congressman George Mahon analyzing military budgets from January to July with Secretaries of Defense and all the top experts, so I have an understanding and a depth in policy as far as the Army, Navy, Air Force and Marines are concerned.

I can say without any hesitation or qualification that the United States is unsurpassed in military capability and our forces are fully qualified to meet any of their assigned missions any place throughout the world.

What really bothers me is some of the allegations, charges made by my opponent. He says we are number two. He says that flatly, and yet on November 20, when he announced his candidacy, he was asked by the press, "What would you recommend for appropriations for the military establishment?" Here is what he said.

"I didn't say what I wanted to spend," he replied.
"You have me in a position where the answer is very difficult
because I only think when you are in the position of command
you have access to all the information that is necessary for
making that decision, and obviously I am not in that position
and do not have that information at this moment."

Well, the point is my opponent is making allegations that the United States is number two, and yet he admits he doesn't have the information that would give him the opportunity to make a creditable recommendation as to what we should do. So, I think my opponent, unfortunately, Dick, his credibility is severely at stake.

QUESTION: Most of us are guilty, sir, of counting -you know, we hear the figures -- we have "X" number of
ships, they have "X" number -- and we talk about tanks and
rockets and so forth. Are the numbers that we are getting
incorrect?

THE PRESIDENT: The numbers my opponent is using are the numbers that Secretary of Defense Rumsfeld and I used in talking to the Congress to get them to do what we want. But the tragedy is that Governor Reagan is using only half of the figures.

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We have a whole series of figures. We, of course, use the good as well as the bad, and I think to do it effectively and honestly and responsibly you should point out, for example, that the United States has more warheads on ballistic missiles than the Soviet Union, by far. We have three to one strategic bombers over the Soviet Union. Our B-52s and our planned B-1, we have more survivable and more accurate missiles.

Now my opponent never talks about the good things that the United States has; he only uses those things that I think in many, many cases are lacking in credibility.

QUESTION: A follow-up to that.

Henry Kissinger, what is your reaction to the attacks on him, and does he stay in your next Administration?

THE PRESIDENT: Rusty, the way to judge whether a Cabinet officer should stay or not is whether his policies have been successful. As we look around the world, I think our foreign policy has been successful.

In the Middle East, the United States is trusted by both the Arabs as well as the Israelis and the net result is we have been very, very helpful in finding some good answers to those very difficult problems in the Middle East, so that is a successful area of American foreign policy.

We have strengthened our relations with our NATO allies and the net result is that Western Europe is stronger militarily and otherwise against any challenge from the Warsaw Pact nations.

So on the basis of success, I think Henry Kissinger has done a fine job, and I have said before, as long as he carries out the policies that I believe in -- and they are successful policies -- he can stay as the Secretary of State.

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QUESTION: Continuing along that line, and returning to the African trip Mr. Kissinger is making, do we plan at any time in the future to speak to the Rhodesian white minority Government and the white Government in South Africa, and what guarantee do we have that these black nationalist nations we are helping will not be taken over by the Communists?

THE PRESIDENT: One of the basic purposes of our policy is to prevent the Soviet Union or Cuba coming into Africa and having a dominant voice, as they have in Angola today. My policy was to keep the Soviet Union and Cuba out of Angola and tragically the Congress of the United States took an opposite view.

George Mahon and I were exactly on the same track and unfortunately the Congress deserted us. But, our policy is aimed at keeping Cuba and the Soviet Union from dominating any other areas in Africa.

Now, I can assure you that at any time, as long as I am President, we will make a positive, maximum and I think successful effort to make sure that minority rights in any other part of Africa will be protected, will be guaranteed and if in the process it is necessary for us to work with the white minorities or with the black majorities in Africa, we will do it to make certain, to make positive, to guarantee minority rights in that part of the world.

QUESTION: Mr. President, yesterday Mr. Humphrey, I think we all saw pictures of him bidding an apparent tearful farewell to the Presidential race. I would like to ask you as kind of a political expert, one who knows the man, do you believe that he is out?

THE PRESIDENT: I have no inside information, Dick, but I do know Senator Humphrey very well. We were sworn into office in the Congress the same day -- January 3, 1949. He is a fine person. He has a different political philosophy than I do, but he is a gentleman.

I have the impression that the time has passed now with the successful campaign of Jimmy Carter in Pennsylvania. I don't see how the Democrats in New York City at their convention can possibly defeat Jimmy Carter without going into a smoke-filled room and having a brokered convention. That is the only way. Whether Hubert Humphrey would participate in that, I have no way of knowing.

QUESTION: I believe you have said in the past, though, that if you had your druthers you would rather run against Hubert Humphrey?

THE PRESIDENT: I haven't put it that way, but I said I thought Hubert would win. That was before Pennsylvania. I said that for this reason: Hubert Humphrey has a liberal philosophy. I have a different philosophy and it would have been a good ideological contest between the liberal philosophy of Hubert and Humphrey and my different philosophy, which is middle-of-the-road conservative so that would have been a good contest.

QUESTION: Mr. President, having watched you and your staff here in Dallas the last 12 hours, the pace you are keeping while the President of the country in campaigning is amazing to me. I think the American people, especially the people in our area, you represent the kid next door that grew up and became President.

What is it that drives you, keeps you going? Why do you want to be President. What is the drive that can keep you driving that hard for?

THE PRESIDENT: Rusty, as I look around and see the problems we have at home and abroad, I honestly believe that the policies that I advocate, the policies I am trying to implement, are the best policies for this country domestically as well as internationally, and I am always a competitive person. I was when I played football, when I competed in other athletics, and I think by sticking with the programs I have and trying to convince the American people that they are right -- and I think they are right, both at home and abroad -- it is a challenge, it is competition, it is believing very deeply in my views and my policies and it just keeps you going, and I seem to have no problems, despite the long hours.

QUESTION: Very quickly, it seems Mr. Carter will be your opponent. Do you perceive any support for him or background support from the McGovern forces or perhaps the Kennedy forces supporting Mr. Carter!s bid?

THE PRESIDENT: Jay, as I read some of the advisers Jimmy Carter has, I gather the impression there are some of the former McGovern people that are helping or have helped him and as I read the charges made by some of Jimmy Carter's Democratic opponents, I get the impression they, in effect, are saying that some of the ex-McGovern people or some of the ex-Kennedy people have a part in the Carter race, but I am not an authority on that. I just read it from the news media.

QUESTION: One quick final question, because we are almost out of time. The Federal campaign law has kind of changed the situation where there are not great blocks of private money available and yet the Federal money has stopped. Is that fair or do you have an advantage over other candidates?

THE PRESIDENT: I don't think I have any advantage. We have used our money wisely and we have gotten it under the law very properly. The Congress is at fault if the Federal money is not available to my competitors.

QUESTION: With that, I have to thank you for being with us. I knew your time is limited and we are out, also.

Mr. President, we are honored.

THE PRESIDENT: Thank you, Dick, Rusty and Jay.

END (AT 8:20 A.M. CDT)