### The original documents are located in Box 25, folder "Rockefeller, Nelson - General" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

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PRESIDENT 'S

SPECEL

RockE Feller

DINNER Flureaug 13, 1975

That is not to say that I wish the Congress would keep out of foreign affairs and that I want to run everything beyond the water's edge in my own way without legislative interference. Under the Constitution, the Congress has a fundamental responsibility in the shaping of all broad matters of public policy, both foreign and domestic. Nobody knows that better than

But while the Congress, together with the President, makes foreign policy, only the Executive can execute it.

> I seek a coalition of confidence with the new Congress and there is no area in which this is more critical than in the national response to the crisis of energy.

In Cyprus, the United States has long sought to mediate between two valued allies in order to secure the independence of territorial integrity of that strategic land.

A new negotiation scheduled to bring together the Foreign Ministers of Greece and Turkey in a meeting with Secretary Kissinger in Brussels this week broke down because of Congressional insistence that military assistance to Turkey be terminated.

This action, I am convinced, is a self-inflicting wound. It will seriously impair our relations with a valued ally and achieve no benefit whatsoever.

MORE

"My great admiration for Nelson Rockefeller is very well known. I selected him for Vice President because I respected his judgment, experience and ability. I wanted a "good partner" for a Vice President and he exceeded my expectations. He has done a fine job in every way.

Both of us in these coming months will be submitting ourselves to the will of the delegates to the Republican National Convention in 1976. I am confident both of us can convince the delegates that individually and as a team we should be mominated."

> "Mr. President - You haven't answered the question as to whether you're dumping Rockefeller."

The President -- I have answered the question. I will be for the Vice President for renomination. The delegates will make the decision.

Roch " More Clai generous."

### THE WHITE HOUSE

WASHINGTON

# April 11, 1975

Mr. President:

Here is a transcript of what Vice President Rockefeller actually said during the NBC interview.

The earlier quote "blood on their hands" was phoned to us by NBC but as you can see by the attached transcript, the Vice President never said it. Therefore, no White House reaction is needed or will be given.

Ron Nessen

Attachment

#### THE WHITE HOUSE

WASHINGTON June 16, 1975

Excerpt from May 19, 1975 NEW YORK DAILY NEWS interview:

QUESTION: You do want Mr. Rockefeller to run with you?

THE PRESIDENT: I said he would be a good partner and he has proven to be a good partner, and I see no reason to change.

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#### PARTIAL TRANSCRIPT

IMPROMPTU PRESS CONFERENCE OF THE VICE PRESIDENT, ATLANTA, GEORGIA

Wednesday, July 9, 1975 1:00 P.M.

QUESTION: The President said that he will be running a separate campaign from yours. How do you react to that?

THE VICE PRESIDENT: I am not running a campaign. I have taken a position right along that I was not a candidate, that I am Vice President of the United States, nominated by Mr. Ford, approved by the House; that when Mr. Ford is nominated by the Republican Party as candidate for the Party for election, it will then be by tradition in this country his responsibility to indicate whom he would like to have run with him.

Up until that time he should be under no constraints and should have complete freedom.

QUESTION: Mr. Callaway also said that you are not.

THE VICE PRESIDENT: Mr. Callaway went further.

QUESTION: He went somewhat further. He said he would not be going to the delegates to ask them to vote for Mr. Ford and Mr. Rockefeller, but for Mr. Ford, period.

THE VICE PRESIDENT: That is exactly what I said. There is no difference at all in my position and his. We see eye to eye on this matter. He is a very good friend of mine and I understand exactly what he is saying, namely, that the nomination is of the President or for the President of the United States.

When the President is nominated by tradition in both parties over 200 years the President then at that time, at that moment, indicates whom he would like to have run with him, who he feels would be the best person.

As far as whether I think that he will select me, that is something I don't want to comment on because I don't think he should be bound. I don't want to put any pressure on him at all.

QUESTION: Don't Mr. Callaway's comments, though, indicate to you or at least opening the door for President Ford

MORE

#### Page 2

to drop you from the ticket?

THE VICE PRESIDENT: Listen, I have opened the door for President Ford to do that from the beginning by not being on the ticket as far as I was concerned.

I think that is the way it should be. I have said that, as you know, for six months.

QUESTION: Do you intend to start a campaign?

THE VICE PRESIDENT: No, I don't.

QUESTION: You do not intend to have a campaign?

THE VICE PRESIDENT: No, ma'am. I am not a candidate. Have you ever heard of anyone running for Vice President?

QUESTION: They said you would be running separate campaigns giving the impression --

THE VICE PRESIDENT: Who is "they"?

QUESTION: Mr. Callaway.

THE VICE PRESIDENT: Is that what he says? Who is reading the quote? I am not going to run a campaign.

QUESTION: Do you have a particular Southern strategy that you would like to use yourself to assure yourself of a spot on the ticket?

THE VICE PRESIDENT: No. I am not trying to. I am not running a campaign. I am Vice President designated by the President, approved by the Congress. We now go back to the elective process. The Twenty-Fifth Amendment will not apply. I am here to help Mr. Ford and the country in any way I can.

Mr. Ford, when he is nominated, will then indicate to the convention whom he would like to have on the ticket with him.

MORE

QUESTION: Mr. Callaway says that the reason he is saying this is that he does not want to alieniate people who might be opposed to you. Do you feel that you have substantial opposition, especially in the South?

THE VICE PRESIDENT: I haven't seen Mr. Callaway's statements. So I don't know what he said. I have taken this position for six months. That is a very fundamentally based position which I think (blank spot on tape) assuming the nomination by the party as your assumption is. So that that hasn't happened yet.

Therefore, it is an iffy question, but President Ford is doing a fantastic job for this country. We are extremely fortunate in the fact that he appeared on the scene when he did, that he has restored confidence in government, that he has met the problems with the kind of courage that is seldom found in political figures.

He is looking for the long-term best interests of the country and the American people and our position in the world and is not concerned about short-term political expediency, which is to me the ideal leader for a great nation. We have that leader in President Ford.

QUESTION: Mr. Rockefeller, do you intend to --

THE VICE PRESIDENT: Excuse me. This lady has a follow-up . question.

QUESTION: In other words, do you think the fact that you are Vice President now will have any negative effect whatsoever on Mr. Ford's candidacy?

THE VICE PRESIDENT: I am not on the ticket. I am actually -- well, I am actually Vice President. The ticket will be only formed when he is nominated and then he indicates who he wants to run with him, based on his best judgment at that time, which is a year and a half from now, as to who would best serve the interest of the country as his running mate. He should be free at that point to make his decision.

QUESTION: What was your reaction to testimony today in this hearing?

THE VICE PRESIDENT: I thought this was a marvelous example of how our system works. I thought that it is tremendously interesting and useful to have this Commission created by the Congress, made up of Congressional and private citizens or local government and private citizens, and to have them come as we have been doing all over the country to various communities to listen to governors, to mayors, to local officials, to businessmen, to the public and, of course, to the ecologists.

They get a balanced point of view. Out of this, plus the studies, which we commissioned, we will hopefully come up with a sensitive, perceptive, useful report to the Congress.

I thought all the testimony was excellent. What we are trying to find out is what is the impact of this law on local government, State government, business, and so forth.

How could it be changed or amended to be more effective, to be more useful, to achieve the common objective which the people of this country share; namely, of improving the quality of water and our environment as a whole. This is a national objective and this Act is a major factor in how to make it more effective.

QUESTION: Are you saying that you do not intend to go out and campaign?

THE VICE PRESIDENT: Yes, ma'am.

QUESTION: You do not intend to give any speeches on your behalf or for President Ford?

THE VICE PRESIDENT: Not for myself. I thought you were talking about for President Ford. Yes, I am supporting him.

MORE

QUESTION: You will be out on the campaign trail?

THE VICE PRESIDENT: Yes.

QUESTION: If President Ford is not pushing for you and campaigning for you and you are not campaigning for youself, who will be, and if not, does it matter to you?

THE VICE PRESIDENT: I am totally relaxed about this, as you and I have gone over before.

My feeling is that the important thing at this point is for President Ford to have a unanimous, hopefully, nomination at the convention. After that he then has to make a decision who he wants to run with him if he is nominated, which I am confident he will be.

QUESTION: Mr. Rockefeller, you said you enjoy the job?

THE VICE PRESIDENT: Yes, I do.

QUESTION: Wouldn't you like to be Vice President again in '76?

THE VICE PRESIDENT: Yes. But I recognize --- and I have known all the Vice Presidents since Henry Wallace -- I recognize that the role of the Vice President is one which encompasses presiding over the Senate of the United States, which is a great honor. Other than that, there is no function except to be a staff assistant to the President.

Now I recognize that is what I am doing. This is one of the jobs I am doing for him.

Therefore, he should make the judgment, not I.

QUESTION: You would fully accept the fact if you were dropped from the ticket?

THE VICE PRESIDENT: Let's not call it dropped, because there is no ticket yet. There has to be a nominationjof the President. Then he selects somebody. That is different than the ticket. You have got to make that distinction. It is under the Twenty-Fifth Amendment. There has been no election. Now we come to the new process, not a new process for the country, it is the old process again, which is that a President is nominated by his party. He then designates who he would like to have run with him and that has been traditionally the system. I think it is a good one.

QUESTION: It wouldn't bother you, though, if you were not?

THE VICE PRESIDENT: No. I would do something else. QUESTION: What would you do? THE VICE PRESIDENT: It depends on what I felt. QUESTION: Thank you, Mr. Vice President.

END



#### OFFICE OF THE VICE PRESIDENT

WASHINGTON

October 10, 1975

Dear Ron:

The Vice President thought you'd be interested in the attached -- his speech Saturday night in New York City, dealing with the New York City situation.

As you will note from the attached, this is about what he has been saying in Oregon, in New York the previous weekend and elsewhere.

Regards,

Hugh Morrow

Mr. Ronald H. Nessen The White House

Attachments

# FOR IMMEDIATE RELEASE

# OCTOBER 3, 1975

OFFICE OF THE VICE PRESIDENT (Portland, Oregon)

> PRESS CONFERENCE OF THE VICE PRESIDENT HILTON HOTEL PORTLAND, OREGON

(AT 10 A.M. PDT)

THE VICE PRESIDENT: Ladies and gentlemen:

I would first like to say I am delighted to be back in Oregon and to be here where it has now been designated the most livable city in America. It is a pleasure and a privilege to be here and attend the Western gathering of the Republican Party leaders.

I am delighted to answer any questions.

QUESTION: Mr. Vice President, there are major differences in beliefs between yourself and Ronald Reagan. Would you tell us what you feel is the major difference in the issues between yourself and Ronald Reagan?

> THE VICE PRESIDENT: I don't believe there are any. QUESTION: No differences on issues? THE VICE PRESIDENT: Major differences you said. QUESTION: Give us a difference on a minor issue. THE VICE PRESIDENT: Style. QUESTION: Style? THE VICE PRESIDENT: Sure. QUESTION: Anything else, sir?

THE VICE PRESIDENT: He can tell better stories than I can.

QUESTION: I mean surely ideologically you are in different parts of the spectrum.

THE VICE PRESIDENT: You have to remember Ronald Reagan started as a liberal Democrat, and union leader, very successful, and now billed as a conservative Republican. So you can take any phase in his life and you can get any complexion you want.

QUESTION: How would you like to be billed, Mr. Vice President?

THE VICE PRESIDENT: Former Governor of the State of New York, nominated Vice President, confirmed by the House and Senate, who has a deep belief in and faith in America as being the greatest nation and there is no problem in this nation that we can't solve if we just put our minds to it. QUESTION: Liberal or conservative?

THE VICE PRESIDENT: I don't think those words are really relevant to the problems of today. I think they are cliches that are left over from the past.

QUESTION: Mr. Vice President, do you see anything wrong with going from being a liberal Democrat to a conservative Republican?

THE VICE PRESIDENT: Not in the slightest if you want to do it.

QUESTION: What kinds of words, sir, are relevant in its terms of today if you are going to pin a label on someone which we have a tendency to do?

THE VICE PRESIDENT: That is where I think the problem lies. I don't think labels today are significant. I think the important thing is to have the capacity to analyze the fast changing problems that face us as a people and the capacity to come up with clear and imaginative solutions that will shape those forces emerging in the world to serve our interests and not overwhelm us in the form of crises. It is as simple as that.

QUESTION: Mr. Vice President, this is an issues conference here and the objective is to broaden the appeals of the Party.

President Ford, and I assume you, oppose the Consumer Protection Agency, you are for taking away some of the regulatory powers of ICC and various other things that are directed for consumers.

How can you broaden the Farty with those kinds of steps?

THE VICE PRESIDENT: The very way you ask the question frames what would appear to be conflict. The President is for consumers but he does not feel that the way to best reflect the interests of consumers is to have a single agency which then gets in the position of confrontation with all other departments of government, but rather to have that function within every department of government so that each department has its responsibility to be aware of and concerned with the problems of consumers.

So it is a question of method, not a question of objective. That, to me, is a very important difference, but a difference as to procedure, not as to objectives.

I think most of the differences today are not regarding objectives. Everybody in this country that has any intelligence is for cleaning up the water, the air and the lands, and to achieve ecological goals.

The question is how to do it, in what form and it is just a question of methods. I think we owe the young people of America a tremendous debt of gratitude for awakening this nation to the fact that there was a disspoiling of its environment and for the preservation of it. There are some of us who have been concerned about this subject for a long time. But it wasn't until it became a national cause that the whole nation became mobilized in this objective.

QUESTION: You are saying the approach is going to broaden the appeal for the Party for more millions of Americans. Is that right?

THE VICE PRESIDENT: I think that as a Party that is a very wonderful objective. As an individual who has been in the Party for a long time, it is a question of the ability of the individual and to the degree that the individual reflects the Party or represents the Party collectively, lots of individuals, that we have a capacity as a Party and individuals in that Party to find the intelligent, sound, constructive solutions to the problems which face the people of this country.

This is what the country wants. It wants solutions to problems. They don't want them all coming out of Washington. They just want a framework within which they themselves as free citizens or collectively as groups of free citizens can solve their own problems.

One of the problems is over-regulation, an unnecessary degree of red tape and bureaucracy which really impedes the solution of the problems rather than accelerates them.

I don't think anybody thinks that you can get rid of regulations. Regulations are the government's responsibility to protect the citizens. So you then get to the question is how those regulations are implemented, what their objective is, how do you change the objectives as the problems change as times change, so that they more accurately reflect the best interests of the people and are carried out most efficiently.

That is the way I view government. That is why I have to be frank and say that is why I think I got elected four times in a State where I represented a Party that was a minority Party by a million registered voters, because I think the voters saw that I had a better chance of meeting their needs and solving their problems and creating the environment they wanted.

QUESTION: Do you think the candidacy representing either one far side or wing of the Party would not be good for the Party?

THE VICE PRESIDENT: I don't think -- yes, I think that is right, but I think not only wouldn't it be good for the Party, but I don't think that kind of candidate in this country is going to get elected anyhow. I haven't seen this in the last two or three elections.

QUESTION: For example, any conservative?

THE VICE PRESIDENT: Or an extreme liberal or radical. But I think those today, as I said before, are cliches that are really unrelated to the realities of the world in which we live. QUESTION: Do you think Ronald Reagan does represent the conservative wing of the Party?

THE VICE PRESIDENT: I think that the conservative wing of the Party is supporting Ronald Reagan, which is a slight difference.

QUESTION: Mr. Vice President, how seriously do you and the President assess the possibility of Mr. Reagan's being able to get the nomination away from Mr. Ford?

THE VICE PRESIDENT: I couldn't speak for the President. The tradition in this country has been that a President in power, in office, has been traditionally nominated by his Party for another term. My personal feeling would be that that is what is going to happen this time.

QUESTION: Are you taking Mr. Reagan seriously?

THE VICE PRESIDENT: Of course I take him seriously. He is a good friend of mine.

QUESTION: I mean as a candidate?

THE VICE PRESIDENT: It isn't a question of whether I take him seriously. It is a question of whether he takes himself seriously and whether he is going to be a candidate. If he was that confident of his success I am sure he would have announced it already. There is a very difficult decision he has to make.

QUESTION: Do you think there is some question in his mind that he will not be a candidate?

THE VICE PRESIDENT: I would have to assume there must be.

QUESTION: Because he hasn't announced it?

QUESTION: Mr. Vice President, have you discussed with the President the possibility you will not be on the ticket and when will the judgment be made on that, and will that be voluntary on your part?

THE VICE PRESIDENT: I have stated since I have been confirmed by the Congress that I thought, number one, I am not a candidate; number two, I haven't even said whether I would be available in '76; number three, I stated very clearly that the President should be under no pressure at any time and he should make no decision until after he is nominated. At that point he should decide who his running mate would be in the best interest of the nation and the best interest of the Party.

QUESTION: As a successful politician, would you assess that you would be the strongest vice presidential candidate on the Republican ticket?

THE VICE PRESIDENT: I used to make predictions ahead of time. I got myself into a lot of trouble by doing it. I have learned the hard way that if you are a politician, and in public life, that it is a great mistake in a fast changing period, a year and a half before the event, or a year before the event, to try to predict what the conditions and the circumstances are going to be. I think that is why he should be free, totally free to wait until he is nominated and then to decide who can be the most effective running mate in terms of the best interests of this country.

QUESTION: Do you see any possible challenge from Mr. Reagan for the vice presidential slot?

THE VICE PRESIDENT: It, of course, depends upon how you use the word "challenge".

QUESTION: Any chance he might be chosen over you? Do you see that?

THE VICE PRESIDENT: Chosen by the President or chosen by the Convention? These are political questions. I happen to be of the school that thinks that after a Convention has chosen a President -- that is quite a traumatic experience for any Convention, and I have been in that situation of seeking the choice and not having been successful a number of times.

After the Convention has gone through the process and now has chosen a President, so they have nominated him, it is very hard for me to see how that Convention would then as their first act deny the first decision that their candidate they have just chosen has made.

It seems to me that would be a rather unusual situation and evidence of lack of confidence in the person they chose.

QUESTION: So you feel Mr. Ford would choose you?

THE VICE PRESIDENT: No, I don't. I just say that whoever he chooses I would assume the Convention would then endorse. Now you then get back, in answer to your question, is who will President Ford choose? And if I were President Ford I would not make up my mind until I got there.

I don't know what he is going to do.

QUESTION: You are not a candidate you say, but you were prevailed upon to accept Mr. Ford's nomination for Vice President.

THE VICE PRESIDENT: That is correct. I was delighted with the opportunity of serving the country.

QUESTION: Would you be inclined then to accept the nomination for Vice President if offered?

THE VICE PRESIDENT: That is not the position I have taken. The position I have taken is that it would be inappropriate for me to express my personal feeling at this point because were I to do so, it would put pressure on him Page 6

of one kind or another, emotional or otherwise.

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Therefore, wanting him to be free, understanding this business reasonably well, having worked for five previous Presidents, this is the sixth, I think I understand the system and I think that my position is correct and the wise one. It leaves him completely free.

MORE

QUESTION: You are recently quoted as saying people who cannot support President Ford's energy corporation should resign. Would you tell us who you are talking about?

THE VICE PRESIDENT: To begin with, that is not what I said. What I said was in answer to a question by the distinguished reporter from the Christian Science Monitor, who showed me a piece in his paper the 30th of this month or past month, in which it said a high government official has -- and so-and-so-and-so, which was not a very complimentary statement in support of a decision which the President had just finished making about this energy corporation.

He said what is your reaction? I said I grew up in a school that believes that those who were of assistance to the President, staff or cabinet, should present their views on a subject as forcefully as they can and after the President has made a decision, then they should support the President in that decision and if they can't, they should resign. That was all I said.

That, then, does not apply to this situation. I think if you are going to have an effective administration that the President has to have people who will be totally honest in giving him their best advice, but when they made the decision, then they will not try to undercut the President's decision as he has made it.

How can you have an efficient, tight administration that can best reflect America's best interest, if that is the case?

QUESTION: Do you have some evidence that Mr. Simon and Mr. Greenspan are not going along with the program now that the decision has been made?

THE VICE PRESIDENT: No, I made no comments about any individuals at all. I happen to know that Mr. Greenspan had a meeting of his staff immediately following the President's decision, in which he said we have taken a strong position on this issue, we have made our arguments, the President has made the decision and now we are going to support him 100 percent.

QUESTION: You believe they are now supporting him?

THE VICE PRESIDENT: Yes.

QUESTION: Does that mean there should be no room for any other thinking, follow the President no matter what?

THE VICE PRESIDENT: That is not what I said. You are misrepresenting, if you will forgive me, the case.

QUESTION: I am asking you.

THE VICE PRESIDENT: All right, you did. I apologize. You did ask. The thinking has been going on for at least three or four months. At some point in life, if we are ever going to Page 8

do anything as individuals or as a nation, you have to stop arguing and debating and come to a conclusion and take some action. Otherwise, you don't get very far in life.

That point has been reached by the President. He has listened to all of the arguments, he has made his decision and now is the time to act. That is all I have. You can go on arguing and they will argue in the Congress.

But those who are serving the President once he has made the decision under the theory which I operate, maybe there are others who have different theories, but I just cast this whole question in my school of thought, the one I grew up with, was you present your arguments, when the boss has made the decision, you support him. If you do not support him, you get out. It is a reasonable, tenable position.

QUESTION: Mr. Rockefeller, could you tell us how you feel about being in the position of owning billions of dollars in personal wealth while millions of people around the world are starving?

THE VICE PRESIDENT: It is very simple. I have no billions of dollars. Therefore, the question you are asking has no relevance.

QUESTION: How about many millions of dollars?

THE VICE PRESIDENT: That I do.

(Laughter)

THE VICE PRESIDENT: I have tried to use those to the best possible purpose so as to help people in this world and to make our private enterprise, democratic, capitalistic system serve the best interest of mankind all over the world and this has been my family's tradition starting with my grandfather, as you well know, sir.

QUESTION: Since certainly most people in the world don't have a chance to pull themselves up by their bootstraps, as certainly you did not, are you interested in sharing your wealth, most of your wealth, with the people in the world, and do you feel this is a moral question that people in government should be asking --

THE VICE PRESIDENT: You are talking Fabian socialism or Communism. I happen to believe in capitalism and private enterprise and democracy. That is based on production, not on dividing up something which exists, and then that is it, but of producing and out of production you get the opportunity for growth and this nation has proven that no nation has ever achieved the opportunities or the standard of living which has been achieved in the United States, due to this concept of work, production, growth, within a framework of freedom, free individuals using their best possible judgment.

QUESTION: Certainly people in South Africa work very hard at productivity.

QUESTION: Let someone else ask a question.

THE VICE PRESIDENT: You have made your point.

QUESTION: Mr. Vice President, what should be the role of the Federal Government in bailing out New York City?

THE VICE PRESIDENT: New York City is in the situation it is in for a number of reasons, one of which is that they have spent more money than they had revenue or than they got in the way of aid from the State and the Federal Government.

During my Administration, we increased aid to the City of New York by over 600 percent. But they have tried to do more than they could and the result is that they accumulated a deficit of about \$3.2 billion in short-term notes. It is known as a float. They now have gotten to the point where people do not have faith in the fiscal integrity of the city, and therefore they won't buy the bonds or the notes.

It is a very serious situation. The State has now acted and has virtually taken over the management of the city through this new supervisory agency. They have given the city an estimated revenue program through to 1978 and they have given until October 15 the city to come up with a budget which will be balanced by 1978 and restore fiscal integrity and sound management.

If that budget, when presented on the 15th of this month, is not deemed to be a sound budget by this supervisory body, they will then give the city a budget -- this is the first time to my knowledge in history this has happened by a State organization -- they will give the city a budget which the city then has to live within.

Until the city has restored fiscal integrity and sound management, I think that there is very little anybody can do that will not involve the level of government which is trying to help in the same problems they are dealing with because if you are spending beyond your means for long, you go bankrupt.

This is true with a family, a city or a State or a nation. The Federal Government has a deficit of \$60 to \$70 billion now. However, after the city has taken these steps and put themselves back on the sound fiscal basis, then there is going to be a difficult hiatus between the time they have restored fiscal integrity and the time that there is a restoration of the investor's confidence in their securities.

At that point Congress, because the President has no powers to deal with it, the Congress is going to have to consider whether there should not be some temporary action that would make possible a bridge maybe that would get that short term debt into long term debt -- to allow them to.

QUESTION: Our State Treasurer said here the other day that New York City's problems is having an adverse effect on the bond market.

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THE VICE PRESIDENT: No question, it is very serious. I think in Oregon you had a bond issue yesterday and it was not sold. It is a triple A bond issue. So this is an extremely serious situation.

QUESTION: Have you recommended a policy to the President, sir, and, if so, what is that policy?

THE VICE PRESIDENT: I have discussed the situation with the President. But as Staff Assistant to the President, it is not my responsibility to discuss publicly the discussions I had with him.

I think the President is fully familiar with the situation, totally understands it, is deeply sympathetic to the people of the city and to the serious ramifications which have just been discussed and presented by the gentleman who asked the previous question.

QUESTION: Would it be accurate to say that you do support some sort of Federal aid to New York either in the way of shoring up the bonds or some other type of support?

THE VICE PRESIDENT: No. See, when you put it that way that does not include the necessity for the city to take the actions first that will restore fiscal integrity in that city. Until that is done, there is really nothing that can be done. They have got to take these actions themselves before they can restore confidence.

After they have done that, before confidence is restored, there is a period in which a bridge has got to be created to assist them. But that cannot be done by the President because he has no power to do this. Therefore, it is going to be dependent on congressional action. That is the key of this point.

QUESTION: Mr. Vice President, many of the delegates to this conference represent agricultural districts, and it is no secret that a good many farmers and ranchers in the Pacific Northwest are highly dissatisfied with the State Department's control over agricultural exports.

Do you share that concern and do you see any remedy for it in the foreseeable future?

THE VICE PRESIDENT: If you ask me, I thought that George Meany had more control than the State Department over agricultural exports. The negotiations have been with the unions as to whether they load the ships. In fairness to George Meany, he has a lot of union members who are seamen and who he would like to see occupied in running ships which are now in mothballs because his union members are out of employment.

Part of the agreement with the Soviet Union on purchase of grain in this country is that one-third of all the grain purchased will be shipped in American ships. That was part of the agreement, and it stands.

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There is a surplus of ships in the world today because of the cutdown on the consumption of oil due to higher prices and therefore tankers are now being used to ship grain. It is cheaper. So you can ship, let's say, \$5 or \$6, as compared to American ships which would cost \$17 a ton or whatever it is, whatever the unit is.

Therefore, the Soviets have been using other ships during this period of low prices, although at some point they have to ship a third in American bottoms.

This negotiation the President had with the AFL/CIO was to get this straightened out. I think they now have it straightened out. But I would say there is an important point here; that is, that we are a free society. We are operating in a world where centrally controlled economies dominate much of this trade. This is the problem.

The Soviets, without doubt, two years ago or about two years ago, when they made their big grain purchase, outsmarted us and they bought without anybody knowing it about \$1 billion worth of grain at low prices. It doubled the price of grain in this country, doubled the feed prices, shot food prices up, destroyed the feedlot operations, and nearly ruined the cattle industry.

Therefore, we have got a tough problem. This is what I was talking about earlier. How do we make these changes and adjustments to new circumstances in the world? I think we can do it. I think this President is one who has the deep concern and desire to do these things, not by radical means, but by sorting out sound solutions. I think he is in the process of doing it.

MORE

QUESTION: Mr. Rockefeller, do you plan to meet with Ronald Reagan?

THE VICE PRESIDENT: I expect to meet him. I hope to.

QUESTION: Meet with him?

THE VICE PRESIDENT: We are friends. I will see him right here. You have him coming to the press conference at 11:00. So I am going to wait and see him.

QUESTION: Do you believe that the longer Ronald Reagan waits to announce his candidacy shows a weakness in his potential candidacy?

THE VICE PRESIDENT: No. I have long since learned to try not to second guess somebody else's decisions. I have enough trouble making my own.

So what he is doing is, I am sure, the wisest thing from his point of view. What it is going to be I couldn't tell you.

QUESTION: How does it affect President Ford's candidacy? Strengthen it?

THE VICE PRESIDENT: I don't think it affects it a great deal.

QUESTION: There are some people who think it strengthens President Ford's stand.

THE VICE PRESIDENT: You can make a case either way. To tell you the truth, you can make a case of conflict and excitement is a good thing, or you can make a case that it can be divisive.

QUESTION: Mr. Vice President, are there any circumstances under which you would leave the Republican Party, seek either the vice presidential or presidential nomination with, let's say, former Governor Tom McCall in a third party move?

You have talked with the former Governor about this before, before you became Vice President. Can you comment on that, please?

THE VICE PRESIDENT: Yes. I frankly don't believe that the best interests of this country are served by fractionating our political structure. I believe in the two-party system. I think that it has shown tremendous vitality in the past, with evolved and changing conditions.

Therefore, while I am used to splinter parties, because New York State has a conservative party, a liberal party, and every time I ran I ran against three other candidates for governorship, I don't think that we will be served well by following the French, the form of French situation where they had 17 parties, some had 30 parties. They are ideologically based. They get into these arguments. I don't think it really holds the country together. I think it fractionates it and makes it less effective as a governing instrument.

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So I favor the two-party system. I am a great admirer of Tom McCall. I think he was a great Governor. He is a great human being and most articulate man, and I think he ought to be back in public life. What form that takes, of course, is his decision. But I think he is an outstanding public servant.

QUESTION: Mr. Vice President, what is the Administration's stand on the bill to cut off educational benefits for people entering the service after the first of next year and to extend educational benefits to graduate students?

THE VICE PRESIDENT: Is this a bill on which the President has taken a position?

QUESTION: I don't know. I am trying to find out if he has. It comes to the floor Monday. Both instances, both theories are contained in the same bill. I am wondering what the Administration stand is on educational benefits for service.

THE VICE PRESIDENT: The President is extremely concerned that all Americans have the best opportunity for education as well as for health; being fundamental for equality of opportunity. If you don't have good health or good education, you are handicapped.

He is deeply grateful to veterans and to servicemen for their service to the country and, therefore, recognizes and has supported special concerns, special considerations for them.

He is also very aware of the fact that a large Federal deficit contributes to inflation and that inflation is the most corrosive form of taxation that exists and, therefore, he is doing everything in his power to hold down inflation by holding down the deficit.

So he has vetoed many measures which the objective of which he shared, but that we didn't have the money to be able to pay for it and, therefore, he vetoed it.

QUESTION: Do you think it would be a fair assessment to say that education does not rest near the top of the President's priorities?

THE VICE PRESIDENT: No. I don't think that is fair. I think that he is a true believer in education. His problem is that we have so many things that we want to do for people and that we know how to do if we only had the generation of the capital in terms of revenue from individuals and private interprise -- 85 percent of the revenues of all levels of government comes from business directly or indirectly and the people they employ, the dividends they pay and the taxes on those.

At the present time we don't have the income as a nation and if we don't be careful we can get into a very

serious fiscal problem nationally. Sure we can print money. But the more money you print the less value the money has. That is inflation. So he is trying to hold down inflation, and he has got it down from 11 percent down to around 6 percent.

This is the other side of the coin on his decision on these measures.

QUESTION: But aside from his personal views of education, when it comes right down to when he has to start cutting the budget, is education going to be one of the first to be cut?

THE VICE PRESIDENT: No, it is not the first. He has been vetoing measures, as you know. Some have been sustained. Some have been overriden. He has vetoed them solely on financial grounds.

The Congress has now formed a committee, a Budget Committee in both the House and the Senate, and Congress itself, for the first time, is beginning to exercise some fiscal restraint on its own enthusiasms.

Everybody likes to vote for every appealing measure that is going to help somebody, and that is very popular. We all want to do it. But we don't have the money. If we don't watch out on the Federal level, we are going to get into the same situation New York City is in, and there isn't a great deal of sympathy around this country for New York City's plight. The reason is because they would all like to do that, but many of them have exercised more restraint.

QUESTION: Mr. Vice President, some people are saying the country is already in financial straits, the money market is being strained by heavy Federal borrowing, the housing industry has not recovered.

Where are we going to come up with \$100 billion for energy development if not borrowing it?

THE VICE PRESIDENT: As you know, the Treasury is selling increasing amounts -- this money will be raised by the sale of Treasury securities, -- they are selling an increasing amount to the Arab states which are accumulating, they have really a tax on the world in these higher prices on oil. That is the great hope -- that we can channel that money back into our productive system.

These securities should offer them a very sound investment and this is the hope that we can bring capital back here through a government corporation rather than have them coming in and buy and control American companies from outside.

QUESTION: Doesn't that give the Arabs a chattel mortgage on the United States now in essence?

THE VICE PRESIDENT: It depends upon how long the bonds are. Once they have invested, if it is a note, at the end of the time they don't have to renew the purchase of the note. If it is a bond, it will be longer, 5 years, 7 years, 15 years, whatever it is. The longer term the investment, the less leverage they have. Let's face it. But on the other hand, they have it in their own operations.

QUESTION: You said Governor McCall should be back in public life?

THE VICE PRESIDENT: Yes.

QUESTION: Is becoming Secretary of the Interior a possibility?

THE VICE PRESIDENT: The President has already made a nomination before the Senate. As you know, he had nominated another Governor, Stan Hathaway, who is a very close friend of mine also, a man I admire and who would have been a marvelous Secretary of the Interior.

QUESTION: Have you ever recommended Governor McCall to any Federal office to the President?

THE VICE PRESIDENT: I have discussed Governor McCall with him. I don't like to get into, as I said, any details of what I recommend to the President. I don't think that is my function. My function is only useful to the degree that I may make or take a position, but he makes the decision. He has got the authority and the power.

QUESTION: Mr. Vice President, apart from these differences in story-telling techniques and style, you said last night that within the Republican Party there is room for a lot of differences.

Would you care to discuss the differences in your approach to the problem solving and that of Governor Reagan? Would you like to tell us how you feel about that?

THE VICE PRESIDENT: He was a very successful Governor of California for 8 years. I, too, was a successful Governor of New York for 15 years. We had different problems. We dealt with them differently. But we are both dedicated, patriotic Americans who believe in the system and the society.

QUESTION: A few moments ago just after that question you said you have not even said you would be available in 1976.

THE VICE PRESIDENT: That is right.

QUESTION: Could it be you are getting bored with the Vice Presidency?

THE VICE PRESIDENT: No, sir. I am having a marvelous time.

QUESTION: Or possibly have an inclination you would like to tell the President you would not be available?

THE VICE PRESIDENT: No. I am simply doing it for the reason I told you. I don't want him to be under any pressure in making his decision as and when he is nominated. QUESTION: Mr. Vice President, you are a man, whatever your exact wealth, of enormous power and wealth, and you are in a position which surely is a shadow of the office that a person of your wealth must be interested in.

Don't you find this being somewhat trying, somewhat tiring at times?

THE VICE PRESIDENT: Not that I have noticed. I have been around a long time. I have been in government now 36 years, in and out of government. This whole question was discussed in detail before the Congress of the United States, prior to my confirmation. And interestingly to note, in the House, all of the extreme liberals and all of the extreme conservatives voted against me. My support came from both parties, I think there were 128 voted against me. The remaining 3, whatever it is, were in the center.

QUESTION: Do you think you and Governor Reagan are in the middle of the Republican Party, Governor?

THE VICE PRESIDENT: I don't think that is division of the Party.

QUESTION: What is division of the Party?

QUESTION: Do you want to explain that?

(Laughter.)

THE VICE PRESIDENT: He asked me whether I thought we were in the middle of the Party. I would have to say that I don't think the Party thinks that is exactly the position.

QUESTION: You mean the delegates to the Convention?

THE VICE PRESIDENT: I don't know who the delegates are going to be. So I can't judge.

QUESTION: But you would reckon they probably would have a different view of it, or they wouldn't think of you or Governor Reagan as a middle of the roader? Is that what you are saying?

THE VICE PRESIDENT: It is very hard to know how each individual Republican reacts. We are pretty individualistic.

MORE

QUESTION: How does the current push in NATO for rearmament by Schlesinger and the current preparation for tactical nuclear war in your opinion going to affect the possibilities of expanding U.S. trade and also disarmament and Soviet initiatives for disarmament that they just recently

made in the U.N.?

THE VICE PRESIDENT: The Soviet initiatives for disarmament are wonderful. And the problem, of course, is how do you detect and verify in a closed society the execution of agreements. This is probably one of the most difficult things relating to the SALT talks.

The Soviets are doing the most fantastic job in research and technology and the development of new weapons. It is really, I think, unique in history, the achievements they have made in military hardware, in all fields and advanced technology. It is a fabulous record and a very interesting one. I think the United States has to take that into consideration in this whole question of the preservation of freedom in the world because I think their objectives are what they always have been, which is a Communist nation of the world.

QUESTION: How do you think its push for preparation of the tactical nuclear war and NATO is also going to affect that -- I mean affect disarmament and also affect trade, where they have made some speeches?

THE VICE PRESIDENT: If you are thinking in terms of detente; detente, it is achieved in my opinion between people who are strong. If we were not strong the Soviets wouldn't bother with detente. They wouldn't have to.

QUESTION: I have one other question. At the U.N. Special Session on development, many nations called for debt cancellation for the underdeveloped countries which are having great strains making their debt service payments and even facing default. How do you respond to debt cancellations for, in the underdeveloped sector, for countries that cannot make their debt service payments?

THE VICE PRESIDENT: I think they have the same problem New York City has.

QUESTION: If extended, how about New York City and the underdeveloped?

THE VICE PRESIDENT: I think that will affect their ability to borrow in the future adversely. You have to think of that, too. These are very tough questions. You are asking good questions, but they are very tough.

QUESTION: Mr. Vice President, what role do you see, if any, for Richard Nixon in 1976, presidential candidate?

THE VICE PRESIDENT: I really haven't considered that.

QUESTION: Would you consider it briefly? Do you think he will have a role?

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THE VICE PRESIDENT: What kind of role are you thinking?

QUESTION: That is what I am asking you. What role would he have, if any?

THE VICE PRESIDENT: I would have to put it this way: I think he had the most unique opportunity that any President has had almost in history. Let's face it, he blew it. Where do you go from there?

QUESTION: Do you have any thoughts on the revision of the Federal Code S.1 and its possibilities of passage, revision, the new revision of the Federal Code, new legislation that will probably go to the Senate?

QUESTION: The Federal Criminal Code, sir.

THE VICE PRESIDENT: Thank you for helping me. I didn't know what S.1 was. There are an awful lot of bills before the Senate, 16,000. I don't know enough about it to have an opinion.

QUESTION: Mr. Vice President, in your view of the Republican Party, what kind of posture is it going to take to win in 1976? What does the Republican Party have to do to win in your vision?

THE VICE PRESIDENT: Gaining confidence or retain the confidence of the American people that they are better qualified to deal with the problems of the people, to preserve the basic values on which this country has grown to its present extraordinary opportunity than the opponents.

QUESTION: Do you think Ronald Reagan could win?

THE VICE PRESIDENT: He is going to have to get nominated first.

QUESTION: But if he got nominated, could he win?

THE VICE PRESIDENT: That is the kind of speculation that is totally impossible because one cannot foresee what is going to happen in this next year.

QUESTION: Do you think if Ronald Reagan delays any longer he is going to be able to raise the funds to do that?

THE VICE PRESIDENT: I understand he is doing very well right now. The longer the delay, the more funds you can collect. He is competingwith all of you here. You have got the columns, the radio and television. Sir?

QUESTION: What is your reaction to the Senate CIA investigations after your committee had looked into it? They seem to be going much deeper. How do you respond?

THE VICE PRESIDENT: I think they are dealing with the international; We dealt with domestic. So while it seems deeper,

it is in a totally different field. My assignment or the Commission's assignment, of which I had the honor of sharing, was to investigate alleged violations of domestic statutes by CIA. That we did.

The allegation was they were massive. There were violations but it was not massive. We made recommendations to assure there were no violations in the future and supervision of the agency's operation and organization.

MORE

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QUESTION: Mr. Vice President, there has been some suggestion that the press is partly responsible for what may be called this assassination syndrome. Where do you stand on all of this press coverage of the assassination attempts? What is your opinion?

THE VICE PRESIDENT: There is a conflict here as there is in so many cases. It related to the same question that was just asked about the Senate and the Watergate. This is America. This is the way democracy operates. If it is something that people aren't certain about and suspicious about, then they want to pull it apart and take a look at it and be sure all about it.

This is an expensive process in many areas, but it is part of our system. I think the same applies in relation to this question of assassinations.

The media of this country are dedicated to bringing the hot news to the people and interpreting it. There is no question that the psychiatrists say that prominent attention given to individuals who have attempted to assassinate does stimulate those who may not have been thinking about it, but now it comes in their consciousness and they are encouraged.

So that you have this problem of balancing the question of the free society, a free press, which I think is our most treasured resource in protecting democracy and some of the collateral side effects of that.

They are in conflict.

QUESTION: How would you solve that conflict?

THE VICE PRESIDENT: I come down on the side of the free press.

QUESTION: Do you have any fears on your own about moving about in crowds?

THE VICE PRESIDENT: No. I am totally fatalistic about this. I was running in the primaries at the time of the tragic assassination of Senator Kennedy. This problem came up then. We at that point were in the middle of another tragedy which was the Vietnam war.

My feeling was very simple, that if I wanted to serve this country I should be worrying about the risks when a great many Americans were dying in Vietnam because they had been drafted to serve their country? So I think that those of us at homewho want to serve have got to be willing to run the same risks of those who serve abroad.

QUESTION: Mr. Vice President, the man or woman ever become too old to run for President or Vice President, I am thinking --

THE VICE PRESIDENT: I haven't been personally concerned about that yet.

(Laughter.)

THE VICE PRESIDENT: But I am going right to the heart of your question. Yes.

QUESTION: Have you changed your mind about coming down on the side of the free press? A week and a half right after Sara Jane Moore shot at Mr. Ford in San Francisco, I read a wire service story in which you were quoted as saying you thought the press had to stop this total coverage of all of these things, or offer coverage of them to maintain our open society.

THE VICE PRESIDENT: The question asked me, it was a press conference, rather spontaneous outside the Senate Republican lunch, and they said, "What do you think ought to be done?" They were saying should candidates not campaign or should the President not campaign and so forth.

I said those are all areas for speculation, but I said I don't agree with them, but I said I think you have to examine your own handling of this situation, citing the case of the psychiatrist, which is a commonly accepted analysis by psychiatrists, but I pointed out, which was not in the article I assume from what you said, that this would have to be a voluntary form of restraint because we have free press.

So I am for free press. To the degree that someone wants to exercise voluntary restraint because they think it would be to the interests of the safety of the President, that is their privilege. But it cannot be imposed.

It is a pleasure and I thank you all very much for your patience.

END

(AT 10:\$% A.M. PDT)

Bo Callaway's statement, November 3, 1975 re the Vice President

The Vice President's announcement comes as a complete surprise. I do not know the reasons behind his decision so I cannot comment on them. As a practical political matter this will stimulate interest in the President's campaign and in the Republican National Convention next August. In another very practical sense the events of the last two days mean that the President is very much his own man in the field of foreign policy. We will have two tough experienced men--Mr. Kissinger and Mr. Rumsfeld-who will closely advise and report to the President. I believe the Republicans and the nation will stand behind the President at this time.

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Senator Javits' statement to be made at 2:30 pm and then Q&A

"Vice President Rockefeller's position has been becoming more untenable as a prospective running mate for the President in 1976. This situation was deeply underlined by the views of the Vice President on federal assistance to New York City and State. On helping New York, the Vice President did what all of us would expect from him as a New Yorker/Four time Governor/and as a man of great national and world experience.

11/3/75

I regard this latest event as of even greater significance as those before in the series which is identifying the President with the Right Wing of the Republican Party, and this I consider most unfortunate for him as a candidate and as President of the country. But, there is still time for the President to readjust his course and I hope the President will consider the Vice President's announcement as a decisive signal to change direction."

## THE WHITE HOUSE WASHINGTON

NOV. 6, 1975 RON

ON THE OUESTION OF WHETHER HE WOULD CAMPAIGN FOR THE PRESIDENT IF THE PRESIDENT FORD COM. PAID FOR EXPENSES, THE VICE PRES. SUGGESTED THAT THIS ANSWER SHOULD BE CAREFULLY MADE BECAUSE AT THE MOMENT THE COM. DOES NOT HAVE SUFFICIENT FUNDS FOR THE PRESIDENT HIMSELF. THE AFFIRMATIVE ANSWER HE SUGGESTS IS "THE VICE PRESIDENT HAS SAID HE WOULD SPEAK AT FUNDRAISERS FOR THE PRESIDENT AND WILL DO SO."

ON THE SECOND QUESTION ABOUT RULING HIMSELF OUT, HE WOULD LIKE THE ANSWER TO BE "I SUPPORT THE PRESIDENT AND HE WILL BE NOMINATED." JIM CANNON

# THE WHITE HOUSE WASHINGTON

THERE IS ONE ADDITIONAL SENSITIVE POINT ABOUT WHICH I SHOULD TALK WITH YOU.

## FOR IMMEDIATE RELEASE

# NOVEMBER 21, 1975

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# Office of the Vice President (Wichita, Kansas)

REMARKS OF THE VICE PRESIDENT AT THE REPUBLICAN GOVERNORS CONFERENCE HOLIDAY INN PLAZA WICHITA, KANSAS

# (AT 9:12 A.M. CST)

Governor Kitt Bond, I want to thank you for your generous remarks, and to Governor Bob Bennett for his hospitality. It is a pleasure being here; and to all of the other distinguished Governors and friends and the distinguished members of the panel whom I admire --Mr. Diamond; Mr. Toffler and Mr. Royster -- whom I know you are all looking forward to hearing from.

I am deeply grateful for this opportunity, and I have to say it is a pleasure to be back in this warm and friendly atmosphere here.

Your invitation to the Annual Republican Governors' Conference is not only deeply appreciated; for me it is a little bit like a college Homecoming Day, representing particularly the classes of 1959 consecutively through 1973. But speaking for all other classes as well, I bring you alumni greetings.

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(Laughter.)

Our only wish is that the present enrollment was larger. But then, Republican quality belies our numbers.

You have suggested I might help set the stage for the distinguished panel to follow in its discussion of the Bicentennial, 1776 to 1976. My first observation is that we have 13 Republican Governors going into 1976 and there were 13 colonies in 1776. That should be no cause for present satisfaction.

Even if 13 be a lucky number, it is lucky only for those States fortunate to have your leadership. But it is too few for this country. Republicans have only 18 percent of the registered voters. It also is too little.

It bodes well neither for the Republican Party nor for the Nation, which is best served by a vital two-party system <u>bid</u> vigorous two-party system has been a key element of our American democracy -- though neither the signers of the Declaration of Independence nor the drafters of the Constitution designed it that way. Each of the parties, in contending for political office over the years, has had to appeal to a wide spectrum of the electorate.

At times, one party or the other has emphasized particular political, economic or social views. But both have wisely accommodated to change over the decades and enlisted support from broad segments of American society.

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This is a time not only to remember but to reinforce this simple truth: No major American political party can long endure by directing its appeal to a narrow minority, neglecting the opinions, the interests and the aspirations of the vast majority of the electorate.

It will not serve the Nation to have our major parties polarize at ideological extremes. Our American major parties have been, are, and should remain open to persons of all backgrounds and a wide spread of political **53 ه**ه د د د د د د د opinion. 

As Governor Milliken of Michigan, former Chairman of the Republican Governors Association, said only · . . . yesterday: "The important thing in the 1976 election and beyond is that this party must be broad-based and moderate and progressive in its approach. It cannot be a rightwing political party that excludes broad segments. If it were to be so dominated, then as a national party the Republican Party is through. The party cannot survive the , **\*** . present and thrive in the future if it has a narrow base."

I withdrew as Vice President for 1976 because I do not wish to be involved in political squabbles, nor to allow distraction centering around cults of personalities, to distract the President from his all important responsibilities of dealing with the problems of the people of this Nation and of the world, and to move the Republican Party to any extreme at a time when the national interest requires it to stand for the concerns of the vast majority of Americans. · · · · 

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• • • My second observation for this Bicentennial panel concerns the American people themselves, and their leadership. From what I know of the years leading up to 1776, the leaders of those momentous years were noted for telling the people the plain truth -- or in modern vernacular, "telling it like it is" -- witness the federalist papers. The Declaration of Independence itself not only told it like it was but summoned the people to a new and united effort to better their lot and condition.

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The situation today is no less serious. It calls for equal candor and courage. To illustrate, I quote from "The Wall Street Journal" of November 18th a statement by Louis Harris, the pollster: "We have found the American people distinctly of a mind of late of insisting that their leadership level with them out in the open on just how serious the problems are confronting us as a Nation ... If given a choice between seriously trimming their material life-styles or enduring more cycles of double-digit inflation and high levels of unemployment, they find that decision relatively easy. By 77 percent: to 8 percent, they would opt for cutting back in their material life-styles."

Clearly, like 1776, this is a time to face the realities that confront us and to take action. It is not a time for pussyfoot politics nor dodging of responsibility by playing "Always, Put off till after Election the Tough Decisions of Today." Postponement is not progress -- it is retrogression. The problems that cry out for action will neither go away nor diminish.

In these critical times, the people clearly expect their leaders to put aside partisanship and prerogatives and act to meet realistically the pressing issues. A critical case in point is the energy situation.

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President Ford devoted most of his State of the Union message last January to an eloquent plea for legislation leading to energy independence for this Nation by 1985. But as Governor Briscoe of Texas said the other day at our Domestic Council meeting in Austin, "If this country had reacted to Pearl Harbor as we have to the energy crisis, we would all be speaking Japanese today."

Frank Zarb, the Federal Energy Administrator, set forth the truths of the energy situation at the Denver public forum of the Domestic Council on October 21. "The first truth is the energy crisis is real," he said, "and we sold out our energy independence for cheap foreign oil."

The second truth is that the Organization of Petroleum Exporting Countries, that is OPEC, is here to stay and is going to continue to increase their prices and maximize their revenues at our expense and that of the rest of the world.

In Frank Zarb's words, "Now if the embargo didn't teach us the lesson of OPEC, we just had a refresher course. The 10 percent increase in import oil is going to cost the American people another \$2 billion a year on top of the \$25 billion we are now paying, and they have told us they are going to meet again next June to determine how much more American wealth will transfer from here to there."

Frank Zarb's third truth is that "there is no easy out." It will require of us both energy conservation and development of American oil and gas production from all sectors, and energy from all other sources -- coal, nuclear, solar and geothermal -- if, in Zarb's words, "we are going to regain control over our own destiny," and avoid blackmail or a boycott, which now would be catastrophic to our Nation.

I think all of us realize that those States on the Eastern Seaboard now import between 80 and 90 percent of their energy in the form of oil from abroad. A boycott would totally paralyze the economy.

We have to also realize that the economic aspects of energy are closely related to political conflicts and struggles in the world, and that revolves around the Middle East. While tremendous progress has been made, there is still great danger. Therefore, we are not out of this situation yet, and we have got to have the courage to be realistic about where we are and what we do and what we face.

His fourth truth is that "the era of cheap energy is over. If we do nothing, our oil will decline, prices go up, the Americans will pay higher prices, and those dollars will continue to flow from here to there. If we develop our own resources, they will go up, but within the context of our program."

# Page 4

Clearly the American people want the truth about Our energy situation, and the Zarb statements tell it like it is. One has to recognize the fact that close to \$30 billion, which will be spent next year, if employed and spent in this country to produce energy here, would produce in the neighborhood of a million jobs for Americans, directly in relation to it, and be the basis for the dynamism and the growth of our economy -- balanced with ecological objectives; and they are not in conflict. We have scientific and technological skills to meet both our energy and our ecological needs and do them together and stimulate the economy, get it off dead center, and get employment back so everybody has an opportunity.

Clearly the American people want the truth about our energy situation, and the Zarb statements tell it like it is. But what is the compromise action developed by the Senate and House conferences that was proposed for congressional action last week -- and how does it face these truths?

First, the compromise would roll back all domestic cil prices and reduce the price of gasoline from 1 to 3 cents a gallon during our election year, 1976. This would knock efforts to conserve gasoline consumption on the head, and could only result in pushing up petroleum imports beyond the present disastrous level of 40 percent.

Second, after 1976 -- in other words, after we have celebrated our Bicentennial, and everyone has been reelected -- under this compromise plan, the price of domestic oil could go up at an annual rate of 10 percent until all controls expire after 40 months.

As a result, conservative estimates are that by 1978 we could be importing 50 to 55 percent of our energy requirements for the country as a whole. As I have already mentioned, let's not forget the East Coast, 80 to 90 percent of its requirements are imported.

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Furthermore, the compromise bill contains an "average price" mechanism that not only puts controls on all domestic oil but will result in four or five different prices for domestic oil. This can only make worse a congressionally-created administrative process which is already a bureaucratic nightmare. All this, mind you, when we are talking of the need for deregulation to encourage domestic production, jobs, growth, efficiency and the elimination of red tape.

The close to \$30 billion we will be spending for imported oil next year, if spent on domestic production of energy, in and of itself would produce one million new jobs for Americans here at home and remove the devastating Vulnerability to our national security.

The sum total of this compromise would be to discourage domestic energy self-sufficiency; make us indefinitely dependent on OPEC oil; transfer even more of our wealth to the OPEC nations, impairing our national growth, our employment and, indeed, our future quality of life.

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The whole exercise is more reminiscent of the Missouri Compromise than the Declaration of Independence. To paraphrase the Battle Hymn of the Republic, surely Zarb's truths will not be "marching on."

Your panelists will assess our 200 years of independence, the present state of our society and our capacity to surmount the shocks of the future. They have a challenging task. Indeed, the Nation faces unprecedented challenges right now, and basic to all of them is the achievement of energy independence. To postpone action, to hide from the truths that confront us, is to sell ourselves short in a world where, surely, problems abound, but opportunity is there for the taking.

Thank you very much.

(Applause.)

END (AT 9:27 A.M. CST)

Present Vice Presidential Duties:

Chairman of:

National Commission on Water Quality Domestic Council Committee on the Right to Privacy National Center for Producitvity and the Quality of Working Life

Vice Chairman of:

Domestic Council

Helpin Negoliating Pozon SACT, Mid-East The Vice President

The Vice President has been overseeing the Administration's effort to establish an office of Science and Technology Policy of the White House.

He is a regeant of the Smithsonian.

He has been a coordinator of the ffort to establish the Energy Independence Authority.

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Past Duties include:

Chairman of the CIA Investigation

Chairman of the President's Pay Panel

Member of the Murphy Commission

The Vice President was also heavily involved in the Drug Abuse White Paper.

behavior in the matter "He lied continuously part of the question. "The

that Nixon is guild

# Rockefeller Worried by Ford's Move to the Right

May

Vice President Rockefeller said yesterday that the politics of 1976 may have forced President Ford dangerously far to the right politically.

At a breakfast meeting with Washington reporters, Rockefeller acknowledged that the strong challenge of Ronald Reagan, the former governor of California, had pulled Mr. Ford well away from the political center.

What Mr. Ford has done, Rockefeller said, is "very. dangerous" to his election prospects and, assuming he does capture the Republican nomination, reclaiming a centrist postion may be extremely difficult. For anyone who did not have the office of the presidency behind him, it might be impossible. Rockefeller implied.

"It's conceivable," said Rocketellor, "That the way

he's gone about this may turn out to be the right way .... He may not have surrendered as much of the center as you may think.'

The Vice President said



the pulling to the right of Mr. Ford by the conservative Reagan makes it "inconceivable" that Mr. Ford, if he is nominated, could pick Reagan as his vice presidential nominee.

Rockefeller insisted repeatedly that "if I were offered the vice presidential nomination, I can see no basis on which 1 would accept

it, but I have no indication it would be offered."

He refused repeatedly to conjecture on what might make him change his mind later. Rockefeller said he no longer makes Sherman like final statements.

Asked --- whether the Reagan candidacy and Mr. Ford's reaction might ultimately be destructive to a Republican Party that already is a small minority of voters. Rockfeller said he thought that was a "real danger."

"Four years of an elected presidency" under Mr. Ford, he said, "might go a long way to swinging it the other way."

### -Stephen Isaacs.

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## February 5, 1976

## SUBJECT:

## VICE-PRESIDENTIAL ACTIVITIES

- Houston, December 11, 1975
   Meeting of Republican Southern Leaders--this was a closed meeting whereby the Vice President very colorfully, now that he was out of the Vice Presidential race, motivate the leaders to get to work for the President.
- 2. <u>New York City, January 28, 1976</u> The Vice President held a cocktail party-fundraiser for the President Ford Committee. This raised between \$150,000 and \$200,000.
- 3. <u>Dearborn, Michigan, January 30, 1976</u> Spoke at PFC fundraised at the home of Mr. Bugas, ja retired Vice President of Ford Motor Company.
- <u>Dearborn, Michigan, January 30, 1976</u>
   At a dinner for the Midwest Governors Conference, the Vice President spoke and strongly supported the President's election.
- 5. <u>Westchester, New York, January 29, 1976</u> This was a County fundraiser in support of the President, and the Republican Party, at which the Vice President was the principle speaker.

# Future Activities Planned

- <u>Washington, D.C., February 6, 1976</u> The Vice President will introduce the President at the Northeast Republican Leadership Conference.
- 2. Kentucky, February 12, 1976 The Vice President will speak at three political events--Lexington, Louisville--in support of the President's programs.
- 3. New York City, February 13, 1976

The Vice President will be the primary speaker at the annual dinner-dance of the Governors Club, Waldorf-Astoria. This is to raise funds for the New York State Republican Party.

- New York County, February 14, 1976
   The Vice President will be the major speaker at the annual fundraiser for the New York County Republican organization (Manhatten) at the Waldorf.
- 5. Lansing, Michigan, February 20, 1976 The Vice President will be the major speaker at the Lincoln Day dinner.
- 6. Admiral's House, Washington, D.C., February 27, 1976 The Vice President will host a reception for the Republican National Committee.
- 7. <u>March--expect to be in the South</u> <u>April--expect to be in Iowa</u>