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Office of the Vice President
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REMARKS OF THE VICE PRESIDENT
AT THE JOHN SPELLMAN FUND-RAISER BREAKFAST
OLYMPIC HOTEL, COLONIAL ROOM
SEATTLE, WASHINGTON

AT 8:32 A.M. PDT

MR. SPELLMAN: It would be a good idea to have Vice President Rockefeller answer your questions this morning, and that way we can get to the heart of the matter as fast as we can.

THE VICE PRESIDENT: I would like the idea of questions. I will see what I can do with the answers.

I would like to say, as a matter of interest for those who haven't seen the polls, that the Field Poll yesterday in California showed the President one point ahead, 44 to 43, with Carter 43. That really is exciting. And that was taken four days after the last debate.

But I am glad and thrilled and very excited to be here with John and his wife. I must say, I think you all are lucky. I also think he is lucky that, in the great state of Washington, there are such wonderful people who care enough about their country and their state and are generous enough to do what you have been doing.

I would like to say as a citizen, thank you for your support of the two-party system and the party of your choice because that is the essence and the vitality of a free society. And we want to keep it that way.

I am delighted to discuss anything that is going on or not going on in Washington or make any other comments. I would like to say that Congressman Joel Pritchard is one of the great guys and we are deeply appreciative of his leadership in the Congress. I am only sorry that he is not yet in the majority, but hope some day he will be. We are grateful to you for sending him, and let's be sure he is back.

QUESTION: Have you talked to the President since that last debate?

THE VICE PRESIDENT: Yes.

QUESTION: What happened, anyway? How did he happen to make that incredible statement about Eastern Europe?

THE VICE PRESIDENT: I can explain it, I think. I have to say that the next day when I was in Chicago I just said it was a mistake, I know him and I know he doesn't mean it, and that it was one of those things.

The only thing, I said, is you have got to turn adversity into a plus and, let's face it -- this

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was told to the press at that time, although I spoke at a Ukrainian dinner two nights later and said the same thing-- this is the first time the captive nations' people have been on the front page and gotten the attention in the United States they deserve for their plight, so that there is some good that has come out of something that was unfortunate."

QUESTION: That is a positive thinking man.

THE VICE PRESIDENT: Now, let's go back to what happened. Both of these gentlemen were being viewed by 90 million people. If you haven't done debating a great deal under those circumstances, you get in this rigid position behind the desk; you have been briefed on everything possible and try to memorize all the facts and all the circumstances, and so forth, and your mind is filled with a whole lot of things, 99 percent of which you never use in your debate or the discussion. He has been carrying on very delicate relations with these nations and with the people of these nations and has visited some of these countries, trying to help pull them out from under this, to establish ties with the United States that will make it possible for an evolution.

So he has had a rather complex, rather than simplistic, understanding and feeling about it. He got asked the question and he put it wrong.

Now, the simple answer is -- and it is not the easiest thing in the world to just say immediately-- "Look, I put that the wrong way. I didn't mean it that way," which would have ended the whole thing and been gone. But he is a determined person and, having said something, I think he just made the instantaneous -- if I can say it -- wrong decision instead of the right decision and tried to explain what he said, rather than just say, "Look, I made a mistake." I have been through this.

I presided over the Senate and I am not allowed to speak without unanimous consent. The only time I have gotten unanimous consent was to make two apologies to the Senate for things I said about them.

That is a closed club, I want to tell you. So that I understand how this thing is. You know, you have to get yourself into a mood to say, "I made a mistake and I apologize," because the natural instinct is sort of one of, you know, this is kind of what you said. So it was just as simple as that.

Finally, he did come out and say exactly that. I have been saying it for a week, so I don't know whether that helped him or not, but I have been saying it. Anyhow, he did, and the thing is over.

We had a dinner in New York with two tiers of all the ethnic leaders of all of the groups -- whether they are of the Catholic nations or the colonial nations under the Soviets -- and they were all there. They are doing a great job in New York for the Party -- always have. We are very close to them.

I think the thing is over. It was unfortunate

but, as I say, you have got to look at the bright side. They did get on the front page of the paper and on television with their problem for a week. If he had said it right away, they wouldn't have.

QUESTION: Did you get a pretty positive response from -- well, you said the Ukrainians?

THE VICE PRESIDENT: They are my friends to begin with. I had asked to come there. I had asked to come to dinner because I wanted them to know that this wasn't the President's feeling and that we were their friends. They know I am their friend and that he was their friend. Then I just talked with them about five minutes and the reaction was one of tremendous warmth with a great ovation. They have their wonderful song that they sing and they sang that in appreciation, and so forth. So I think the thing -- it's life, you know. We all make mistakes. The problem is, how do you handle a mistake? It is better to handle it fast, in my opinion. But I don't think it is going to have any effect on the campaign.

Sir?

QUESTION: Along that line, I recognize when he is there on that very special time that a positive image is most desirable. Yet I think there is a lot of America, and particularly the young, who would prefer that he would not try to out-do Jimmie. If the answer is yes, that is true, then add the "but" and go on, he might just convert those many that are still on the line. I don't know.

But my son and the young people I talked to don't think either one of them is leveling.

THE VICE PRESIDENT: I understand what you are saying. Of course, politics is an art, not a science. And it is not an exact science. It is a creative art. I have worked very closely with the President. I have great respect for his integrity, for the dedication, his faith and belief in the fundamental values of this country. And he is a very astute man. He is a man of tremendous inner peace, which is very unusual in life, to find someone who is totally calm inside, and secure -- all of which are good qualities.

My feeling about working with somebody, and I have always worked for myself anyhow, so that I know what I like, I try to be that for him. I give him my advice or my reactions, totally, frankly, and I don't expect him to answer. I don't expect him to comment -- there is no reason why he should -- to say he doesn't agree or he does. I don't think you can really do more than that, particularly with a President who is running for reelection. He has got to make the decisions, and rise or fall on the basis of what he is.

I think the worst thing in the world -- I don't know whether any of you in the room are old enough to have watched the Nixon debates. Bill Rogers, his law partner, sold him on the fact there ought to be a new Nixon just before the debate. So he tried to be a new Nixon. I thought

he was going to cream Kennedy. But this was his great thing, being a tough debater. And just the opposite, he said. Well, now, of course, there are a lot of Americans who focused on what Mr. Kennedy said. And it just didn't ring a bell at all with his personality.

I think it is very dangerous to try to go beyond throwing out ideas to change a personality. You have got to be what you are, at least this is what I think in politics or in government or in anything else, and you stop as high as wherever you have gotten, and you stop when you get there. All the cosmetics, to me, don't make any difference.

In answer to your question, I think the simplest thing to do is just stick with the truth and if the other person says something is true, say, "Yes, that is perfectly true, but," -- as you say -- "on the other hand, there is this side of it or there is that side." And I really think that is a much simpler way.

But, on the other hand, you can't really tell somebody else how to handle a conversation with 90 million people watching what isn't a debate, which is a half-presented, really, sort of press conference.

I have another very good friend, who is a lawyer, a brilliant lawyer. He said what he should have done, after Carter avoided that first very succinct and brilliant question that was put to him, he should have said, when his turn came up, "I would like to relinquish my time, ask Mr. Frankel to repeat his question so that Governor Carter can have a chance to answer the question and so I cede my time."

Now, I don't know what would happen, but that is a good idea. He should keep pushing him on that. But those of you who are debaters, each one of you would handle these things in a different way. I just think that he is himself, and he has integrity. He has courage. He has a great faith and belief in our country, our system, the American enterprise system, creativity as an individual. These are all values and assets which to me are essential at this moment in history, if our country is going to survive as we have known it. Therefore, I am totally for him.

Now, I might do things differently -- I am just saying that -- and so may everybody else in this room. But when you take two of them and try and figure out -- and I have been in and out of government 36 years -- I can't even follow Mr. Carter's logic when he discusses these issues. I know about that. I was in government. I was Chairman of President Eisenhower's Commission. When you take all those agencies and departments and put them all in a few, and when Congress has let the Reorganization Act lapse, and when there is all this proliferation of committees and subcommittees and they each have their jurisdiction and they are not going to give up a function because it means their committee goes out and if the committee goes out, the chairman loses his staff and bonus, I want to tell you, Carter just doesn't know anything about how the Federal government operates.

What I hear is this is sort of a mixed bag in the reactions to what kind of a Governor he was in Georgia. But that is neither here nor there. This is my reaction.

QUESTION: Governor, what do you hear about Senator Tunney and Hayakawa in the race?

THE VICE PRESIDENT: I was down there and spoke for Hayakawa. I think he is one of the fast phenomena on tap in this country. He is a gutsy guy who just went on his own because he cares. He had no money and he had no organization. He just went out and started talking and he stood.

Jack will know a lot more about him than I do. Jack Venneman comes from California and was in the Legislature there and was Under Secretary of HEW with Elliott Richardson. Jack, you say what?

MR. VENNEMAN: It is even. The polls have shown the race is just as tight as can be. Hayakawa was picking up a little bit last week, but I think there is a good shot at picking up that seat.

QUESTION: I, we have a low vote, won't that help all these close races?

MR. VENNEMAN: Right.

QUESTION: This would really be the crucial part?

THE VICE PRESIDENT: I think so.

QUESTION: They don't like to advertise.

QUESTION: It is un-American to say it.

THE VICE PRESIDENT: Practical politics are not necessarily sort of an academic, philosophical discussion of how democracy works.

QUESTION: We better hope these walls are sound-proof. Dixie Lee Ray is having a meeting in the next room.

THE VICE PRESIDENT: Well, she is an interesting personality.

I have great respect for her mind, which is extraordinary. She is a dedicated person, but here is my candidate, right here. I am only sorry I am not still a Governor so I can serve with him.

These are all interesting questions.

QUESTION: Let me ask you another thing.

THE VICE PRESIDENT: Yes, sir.

QUESTION: What is the story in Illinois?

THE VICE PRESIDENT: Illinois is absolutely fascinating. Jim Thompson put about 260 people in the

Chicago area into jail. He was the Federal Attorney. He is a gutsy, good-looking, tall guy, as I say, who just married, three months ago, a brilliant lawyer and he has been campaigning for a year and two months. He has gone to every county fair. He has gone to every function. He is running against a hand-picked candidate of the boss of Chicago --

QUESTION: Daley.

THE VICE PRESIDENT: -- of Boss Daley, who knocked out the present Governor, Walker, I guess is his name. The public just doesn't take to that kind of thing. This fellow is sweeping the state. I think he is going to go for the President, he is going to go for Thompson and he is going to be a sweeper. But it is the same spirit I feel here, of real enthusiasm among Republicans that the show is not over, that it is just getting started again, and that there is a spirit that this is a great country, let's keep it, and we are the ones who can do it, and this is our system. I mean we have got this privilege and now you are exercising it. This is a wonderful thing. If we don't exercise our responsibilities along with enjoying our privileges and opportunities, then this system won't survive. It's as simple as that.

The thing that is exciting is having wonderful people willing to stand for office. That is what I admire.

QUESTION: You mentioned in the bigger meeting this morning Governor Evans' statement in one of your Domestic Council meetings on getting Washington off our backs and out of our pockets, and that sort of thing. What is the realistic chance -- even with the momentum that seems to be developing in the public in that direction that that will happen -- that we can reverse the flow of dollars and control to the Federal government and really mean what we have been saying for the last 20 years about local government and its importance?

THE VICE PRESIDENT: This has got to be one of the most interesting and difficult problems, and I can briefly state -- Joe, you can correct me if I am wrong on this -- two reasons I resigned as Governor after 15 years. One was to let the Lieutenant Governor be Governor because he wanted to be Governor very badly. He had been there 15 years and is a hell of a guy and had been in the Assembly for 20 years. I personally didn't think he would get elected and therefore the only way he would be Governor is if I got out, which turned out to be true. That is one reason.

The other is that there are 1,007 categorical grant programs passed by the Congress in which they give you what I consider a pittance toward some program -- that is, Muscular Dystrophy or special aid for this group or that group, very popular politically -- and that is highly organized. They get some group of Congressmen and a group of staff and then they get this program so that it is dramatized, and it has a lot of appeal and it is organized nation-wide with that group and their organization. Then it is passed and then a bureaucracy is established in the Executive Branch and that bureaucracy now has a vested interest. So you have a vested interest in the bureaucracy, in the staff of the Congress, in a limited

number of Congressmen who have written this issue and are sort of known for this, plus then the beneficiaries around the country.

Now, this is extremely difficult to cut back. But what it does to the states, a particular state like New York, they say, No. 1, you have got to enrich and improve your program to get this extra 5 percent or 6 percent, or whatever it is. Well, we were too well enriched and improved already. This meant we had to spend more money to raise our standards. We had to put on more taxes. Then not only do they give you the money, but they give you then the restrictions and tell you how to spend it. But they have to do it for the whole country. So they do it nationwide

Of course, that means that it has no relation to the problems either in Taos, New Mexico, or New York City, or vice versa. They just aren't the same. Then they leave wide latitude for administrative policy decisions, guidelines, so-called. Then the bureaucrats, under Jack Venneman, whom he doesn't control, write these regulations.

Here is what Dan Evans said to this hearing. He said, "We worked for months preparing a request for \$8 million dollars." I think it was in education of some kind. There are three volumes. There are lawyers, professionals, et cetera, et cetera. It cost them -- I don't know how many hundred thousand dollars. They sent it to Washington and got back word, "Sorry, the regulations were changed since you prepared your program and therefore you've got to do it over."

Then he gave another illustration of where they figured out how they could save a million and a half dollars in some field and they were very pleased. They sent it to Washington for permission -- get that, permission -- to save one million and a half dollars of state money. They got back word, "Sorry, there is no provision in our regulations for savings. So it is disapproved." He said, "Just give us less money, less regulations, and get off our backs and let us run our own show." This is the way.

But now how do you unwind this? There is a new move, and it is by a Democrat from Delaware, I guess -- or Maryland, or wherever he is -- a young Congressman, called the Sunset Law, that Congress is getting to be a little sensitive -- and I am referring always to the Democratic two-to-one majority -- they are getting a little sensitive about the fact they are running these deficits. So he has come up with what is known as the Sunset Law, that would say that every program expires after a certain number of years. I think this is a very intelligent thing, even though he is a Democrat. He had a good idea and you've got to give him credit for coming up with it. Whether he can get that through and whether, after getting it through, they can actually terminate a function is another question.

Now you look at it from our side, the state side. We were getting 36 programs for primary and secondary school aid. We had to file 22 state-wide plans. It had no relation to what we were doing, but the law said we had to file a plan. We knew that nobody read them except Jack when they got there in Washington. So we filed them. And after all of this, we got 5 percent of the cost for primary and secondary education, which is supposed to be run

by the local school boards, not by Washington, and not by the state. This is just totally distorting.

You say, "Why did this happen?" I can tell you why it happened. The cities and the counties were doing things for their people. Then the states started doing them. And let's face it, it is politically popular and it is part of our system. Lincoln said, "Do those things for people which they cannot do for themselves." But the Constitutional Founding Fathers set up three branches of government and the various tiers of government in order to protect that.

So now you have this situation where the Congress found that these things were popular-- that is the way I see it -- and the pressure groups, instead of pressuring fifty legislators, said, "It is a lot easier if we can just pressure one. That is Congress. To hell with the states. We will just go to Congress and concentrate on them." Then they zero in on individuals who need their help in a race, a tough race, and then they say, "We will get bondage," and they provide the support and the enthusiasm. Is that a relatively fair statement?

QUESTION: Absolutely. When we had the OEO, the other thing that really hurts is when you say you are going to cut out a program and then you find that these people come into Washington, D. C., from all the states and the agencies have paid their transportation and money to come back and lobby us to maintain the program. It is the darndest thing.

THE VICE PRESIDENT: So this is a key question. That is why you need Governors like John, who has the capacity through experience and who have run the county and not increased taxes. To me he is one of those. You know, this kind of man in a position as Governor can have an impact.

I tried to get the Governors -- frankly, Dan Evans is one of the few who felt the same as I did -- to take a position nationally that we could become a national force. We are the only other group besides the Congress and the President, elected by all the people. But Governors don't want to do that because they want to stick to their own things. They are afraid if they take a position on a national issue it may hurt them locally. So they would never do it.

Whether we can do them, if we are going to preserve the ability of local government, state, county, town, village, and city, to be responsive and responsible to their constituents, this program has got to change. That is why I sponsored revenue sharing. This is why Congress does not like revenue sharing, because they get no credit for anything. We went ahead on water quality. After a trip to California, where I was running in the primary -- I lost in '64 to Barry Goldwater -- I did pick up a good idea and they were raising two billion to bring water into California. I got the idea if they can spend two billion dollars to bring water, couldn't New York spend one billion dollars to clean up the water God gave us?

I went back and had a million dollar bond issue

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to float a program under it. We started to clean up our waters. In the program we put in a provision which pre-financed Congressional appropriations, which were in that time, in that area, 50 percent matching grant. But they had very little money. That is one of the things they do, 50 percent matching, and then there is very little money. So nothing came of it. We just said we would pre-finance. Well, we did, and then Congress finally put that in the bill.

Well, we got to a point where we were \$1,200,000,000 ahead of Congress and they had to pay us back and they were furious because nobody got any credit because the things had already been built. Every other state said, "Why should New York get all this and we don't get anything?" So then they gave all the other states an equivalent amount in order to give New York what was owed us under the law.

It is very interesting, and this is the kind of thing -- if you will forgive me for saying so -- that Mr. Carter just doesn't understand. He makes all these simple promises. I just think it is going to be, were he to get what he wants, an absolute disaster because he believes in continuing this process -- big spending, deficits, more taxes, and more restrictions on the productive element of our society, which is the American enterprise system, which produces 85 percent of the revenues, directly or indirectly, and, if that stops and it is cheaper to produce abroad, we are not going to have the source of revenue to support the economy, which is where we are now. So because of these things, you can see why I am interested in government. It is a fascinating field. And it is changing very rapidly.

QUESTION: What do you think of Carter's proposal to have an economic boycott against the Arabs if they cut off our oil?

THE VICE PRESIDENT: Of course, if they cut off the oil and the Soviet joined them -- which I would have to assume the Soviet would at that point -- I just think we are going to have economic and social chaos on the East Coast. I don't know how you are fixed out here. We are dependant for 80 percent of our energy on imported oil. If you cut that off, if you don't have the railroads or the pipelines to bring oil from anywhere else -- and we don't have the coal-burning plants now on account of ecology -- our lights would go out, our industry would stop. I asked the President, "Where are you going to get the military troops to put down the food riots in New York City when this takes place?" It is a beautiful thing to say we will boycott the Arabs. We are going to be in such a chaotic condition at home we are not even going to know whether we are boycotting somebody or not because we are going to be out of business.

I just think that you have got to have the courage in this world to say what is in the interest of America and not what is the popular thing that will get you votes for a short term, but just be a disaster if you get into it. I mean this is one of these demagogue things that sounds good. He is tough. He is down in Plains, Georgia, with peanuts all around him. He is in control of

the whole damned situation. It makes no sense at all. Excuse me for being disrespectful to a fellow Governor.

QUESTION: It just seems from some of the debates that Ford may have been able to take some harder shots at Congress. That was a comment some of us had when we observed the two so far.

THE VICE PRESIDENT: That is something I share with you. It isn't just in the debates; it is all the way through. He was a Congressman. He had been for 24 years. These are all his friends and it is a club. Unless you have been in it, you don't know how strong that is. Isn't that right, Joel?

MR. PRITCHARD: That is right.

THE VICE PRESIDENT: That is why I apologized to the Senate. There have been mild things I have said, but you would think I shot somebody. They all rise up. It is unbelievable. I apologize and I get a standing ovation.

But this, I think, is really the reason, because he feels that he is going to be able to work it out with them. Maybe I just come from a different school, which I do. I come from the Executive side and he comes from the Legislative, and there is a difference. Therefore, it is very hard for him to criticize his close, personal friends, whom he has worked with for years and just tell it like it is, and recognize that in their honey-sweet way -- which is the way they all operate -- that they are just cutting his throat. That, again, you can say, but it is very hard. You have got to do what you feel. He has so many more wonderful qualities than some of these others, but I will transmit both of those thoughts that have been given here to him because he has got one more debate.

Sir?

QUESTION: What do you see as the direction for Agriculture without Secretary Butz, sir?

THE VICE PRESIDENT: I don't think there will be any change in policy. Secretary Butz was going to leave three months ago. His wife wanted to go home. The President persuaded him to stay. He is a patriotic, wonderful public servant who has a penchant for telling jokes, which he cannot resist. And there doesn't seem to be any sort of qualitative measure as to the character of the jokes he tells. It's just as simple as that. How you tell that kind of a joke to John Dean when you know what he is like, it is inconceivable.

It is a tragic thing. It was tragic for the Black community and it was tragic for him as a person.

QUESTION: That is right.

THE VICE PRESIDENT: And the President felt very badly about it.

But as far as policy is concerned, there will

be no change. The President and the Department are fixed in their attitudes, and this has been one of the absolute phenomena of this country -- what the farm families have done with 60 million acres brought back into production. I asked the Soviet Ambassador at dinner one night last winter, "How do you explain, after 60 years of Communism, that now, with 45 percent of your people on the land, you have to come to the capitalist world to buy the food to feed your people and you have to go to the capitalist world to buy the total plants, machinery equipment and managerial experience to produce the consumer goods for your people?" He finessed it the first time and, being a little persistent, I came back to it and finally he said, "Well, now that our people are traveling more, we have stopped saying that we invented everything."

I think American agriculture has saved this country. Do you realize that if it weren't for \$22 billion dollars of exports of food, plus the sale of armaments, that we would be in the most unbelievable foreign exchange bind because we are spending \$35 billion dollars bringing in oil when we have energy at home and Congress won't act on the program either to produce new sources or -- no business can survive on this basis.

QUESTION: That is why we are going to miss Secretary Butz.

THE VICE PRESIDENT: But he was going to leave. It is just tragic that he left under these circumstances, because he is a great guy. He just had that weakness. He is funny, but, unfortunately, you cannot afford, in public life, to be funny at someone else's expense.

MR. SPELLMAN: I know that the Vice President has a live television show coming up.

THE VICE PRESIDENT: I am not going to tell any jokes on it.

I would like to say I just think that you are very lucky and that everybody in this state has got to get out and see that John gets in. He is very lucky in having such a wonderful and lovely and beautiful wife. I would like to say that I just learned that I appointed her brother as head of Roswell Park, which is New York State's Cancer Research Institute, and one of the great institutes in the country. He has done a fantastic job for us, and I am just delighted to know that it is her brother.

MR. SPELLMAN: Talking about groups, I think we are very lucky to have the Vice President really share a very informal and informative session with us this morning.

THE VICE PRESIDENT: I have a lot of thoughts on subjects. They are not always welcome.

(Applause.)

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(AT 9:15 P.M. PDT)