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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AND  
QUESTION AND ANSWER SESSION

LAMBERT INTERNATIONAL FIELD

11:52 A.M. CDT

THE PRESIDENT: Good morning.

It is nice to be here with Jack Danforth and Gene McNary.

It is great to be back and have the memories of that last visit with the tremendous crowd we had. What was it, 35,000 to 40,000? So, it is a pleasure to be in St. Louis, Missouri, and you make certain that Missouri goes for Jack -- which there is no question, I guess -- and Kit Bond, myself and the rest of the ticket.

I would be glad to answer a question or two.

QUESTION: Mr. President, what is your reaction to the decline in the leading economic indicators for the second month in a row?

THE PRESIDENT: We did expect some falling off because of the pause, but on the other hand, we are very encouraged by the tremendous increase in housing starts for the second month in a row. We are very impressed with the fact that several surveys show that consumer confidence is in good shape.

We think that as we move ahead in the fourth quarter -- and we are in the fourth quarter now -- there will be good results by the end of this quarter.

QUESTION: Mr. President, have you approved the sale of computers to China that would be useful in its defense, you or your Administration?

THE PRESIDENT: I approved the sale of computers on the recommendation of the Department of Defense, on the recommendation of the National Security Council and on the recommendation of the Department of Commerce. They all approved them and they are not related to any defense capability, as far as the PRC is concerned.

QUESTION: Why didn't you make it public, Mr. President? Why did this have to be revealed by reporters? You say you have an open Administration.

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THE PRESIDENT: I can't give you the answer. I signed it. I assumed that it was part of a regular process. There was no question about it. The Department of Defense recommended it; the Department of Commerce recommended it, the NSC recommended it. These particular computers had no relationship whatsoever to our national security.

QUESTION: Mr. President, could you tell us why you called Senator Dole at 5:00 a.m., as reported from Denver?

THE PRESIDENT: I was going to have a busy day, as you knew, and I wanted to make sure that I said hello to him and wished him well and urged him to keep up the good work. It was just 7 o'clock our time and, as you know, we were about to take off. That was the most opportune moment for me to give him a call.

QUESTION: How will the drop in economic indicators affect the campaign?

THE PRESIDENT: I think the American people know we made very significant progress against the battle against inflation. The latest figures show the cost of living has gone up at the rate of 4.4 percent, which was considerably less than the 12 percent inflation that I inherited, so that we have made almost a two-thirds successful battle in winning the war against inflation.

So, as long as we are winning the battle against inflation, I think the American people will think that is a significant gain, and it will be reflected in the campaign.

THE PRESS: Thank you, Mr. President.

THE PRESIDENT: Thank you all very much.

END (AT 11:56 A.M. CDT)