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THE WHITE HOUSE

PRESS CONFERENCE OF JAMES M. CANNON ASSISTANT TO THE PRESIDENT FOR DOMESTIC AFFAIRS

THE BRIEFING ROOM

3:30 P.M. EST

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MR. NESSEN: The President recently indicated that he would recommend to Congress the enactment of legislation to make Puerto Rico a state and, as you know, it was despite the best efforts of Dick Lerner that the Interior Department has managed to complete the legislation.

What you should pick up, if you don't have all of the pieces, are the letter from the President to the Speaker of the House of Representatives and to the President of the Senate proposing such legislation, and then a text of the legislation and a final page which will indicate to you the process that this legislation has to go through and the total amount of time it could take.

Now, this is the main document, but also prepared for you by Jim Cannon and his Domestic Council are a chronology of relations between the United States and Puerto Rico, a chart, a full version here, which demonstrates the growth of sentiment for statehood in Puerto Rico as measured by election results, and those same figures transferred to a listing here.

To talk to you about this legislation and answer your questions about it is the Director of the Domestic Council, Jim Cannon.

MR. CANNON: Thanks, Ron.

The President has sent this bill up to the Congress today and strongly urged that Congress take this first step in a long series of steps that must be taken if the citizens of Puerto Rico are to have equality.

I have no further statement. I would be glad to answer any questions by anybody.

 Ω Why go to the trouble at this time, particularly since it is so late in the Administration?

MR. CANNON: This bill is a response to the proposed compact which was given to the President on October 9, 1975. He had a year, under the statute, to respond to that to Congress. As it happened, when the time came, the termination of that year, Congress was out of session. We continued studying the matter and the President addressed it later in November and again early in December and directed the Domestic Council to proceed with the preparation of additional study work and the papers that were necessary for him to make a final decision on whether he wanted to propose statehood. Q Jim, was there any prior consultation between the White House and Mr. Romero before the decision was made to introduce this legislation now?

MR. CANNON: Let me answer your question this way: Before the President made his announcement, we informed Governor-elect Romero Barcelo that the President was going to make the announcement. On this particular legislation, I have consulted with him and advisors to the Governor.

Q What was his reaction, sir?

MR. CANNON: Favorable.

Q Favorable. Well, I am a little confused because some of his public comments had seemed to indicate that he is not terribly anxious to have statehood right away, and yet --I am sorry; go ahead.

MR. CANNON: I was going to say this statehood could not possibly come for Puerto Rico right away. It is a long and complex process. What we have done is set forth the steps here that must be taken in a process that we estimate will take from 40 to 70 months after the Act is passed.

We believe that the process should begin immediately, as soon as possible, as soon as Congress can address it.

Q And your legislation does have the support of the Governor; is that correct?

MR. CANNON: I will let him speak for himself. I told him what we were doing. I had his representative look at the legislation and read it. We went over the process, and his reaction -- in answer to your question -- was favorable. I will let him speak for himself, as to what he would want to say about it.

Q What are the major changes between the draft bill that was released earlier this week and the final version?

MR. CANNON: The draft bill was leaked earlier this week and it did not -- that was an early draft. It did not appropriately provide, in my judgment, for the island-wide referendum, and that was put in at a later point.

Q Was that the major change?

MR. CANNON: There may be some other procedural and technical changes, but that was a substantial change. That was, I guess, a second or third draft of the measure. When I saw that draft and realized that it did not have the referendum put into it, we redrafted it to make it clear that after the process of consideration of the terms of statehood could be examined, then as soon as possible after that the citizens of Puerto Rico would have an opportunity to vote before further steps were taken.

 Ω Jim, what is your reading as to when and whether the Congress will act on it?

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Q Since a lot of this took place during the transition period, did you advise the President-elect of what was coming?

MR. CANNON: I did not.

 Ω Did anybody?

MR. CANNON: We did not prior to the President's announcement.

Q Why?

MR. CANNON: We saw no need to. The President was responsible to make this decision, and he did make it.

Q Didn't you think as a gesture of good will, if you were really sincere about wanting this -- and I don't doubt that you were sincere -- that it might help things along?

MR. CANNON: The President felt strongly that he had studied this question of the status of Puerto Rico for the full time he was in office. It was one of the responsibilities that he inherited when he came into office. He had a group, the Domestic Council and OMB, who had been working on it for some time. We had briefed him from time to time, since shortly after I came to work in the White House, and he felt that this was his decision to make as to whether he wanted to propose this or not.

As I indicated, he did not consult with Governorelect Romero Barcelo. He did not want to put him in any position of having to approve it or disapprove it. The President concluded this was the best action to take, and he took it.

 $\ensuremath{\underline{\text{Q}}}$ I am sorry. I was referring to President-elect Carter.

MR. CANNON: The decision was made to clear it with the White House staff, but the President felt this was his own decision. His questions related to the propriety of what he was doing. As we look back at the history of this, it certainly did seem in keeping with past Presidents that he could make a comment on this, and the procedure.

Q I don't doubt that. What I am saying is, don't you think it might have been a good idea to inform the incoming administration?

MR. CANNON: We did not feel that was a responsibility, that we had a responsibility to inform the Presidentelect. Q Are you satisfied that there is at the present time a majority of the Puerto Rican people who are in favor of statehood?

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MR. CANNON: I would direct your attention to the chart which is here, and of which you have copies. If you look at the five elections since Puerto Rico became a Commonwealth, you will see a steadily increasing trend of support for statehood and a steadily declining trend of support for the Commonwealth.

Q But Mr. Barcelo made it very clear during the campaign that the vote he was asking for was not a vote on the status of Puerto Rico but a vote on his economic policy.

MR. CANNON: That is correct. But the fact is that the party of statehood swept the field. They elected the Governor, the Resident Commissioner, and both houses of the legislature. That is an incontrovertible fact. You can speculate any way you want to about it, but that is a fact, and there it is.

Q Jim, excuse me. Is it a fact that the other party campaigned only on status the majority of the time, the Commonwealth Party, in the last campaign?

MR. CANNON: The party of Governor Hernandez Colon did support the idea of the Compact, the Free Associated States described in the Compact.

Q So it is a fact that status was completely discussed all through the campaign; that this wasn't something new that was brought up?

MR. CANNON: I think that is fair. In fact, it is fair to say that status has been a question in Puerto Rico for more than 75 years.

Q Jim, the other day in an interview with the New York Times the President said that he did not expect the 95th Congress to approve this legislation, but that he went ahead; that he was going ahead in doing this because he thought it was important to get it out for debate. Have you heard him say anything subsequently to change that view?

MR. CANNON: He said this morning, when he signed the letters of transmittal, that we must get this action started. We must go ahead. And this is the first step.

Q Well, then, would it still be fair to assume that the President does not expect the 95th Congress to approve this legislation?

MR. CANNON: I didn't raise that question with him.

Q I mean, you declined to speculate on how soon Congress might act on it, and I --

MR. CANNON: No. I think that is a matter for congressional judgment, and there would be no useful purpose in my speculating on it. We think the appropriate committee should start hearings and address the matter. We believe we have good legislation. We believe this is a good procedure as a way to begin what is a complex and difficult process. But how long it takes them is really a judgment of Congress, not of mine.

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 Ω I appreciate that, but I want to put this in the proper perspective. If, in fact, the President does not expect the 95th Congress to approve this, I think we should say so. As far as you know --

MR. CANNON: He did say so the other day.

Q So far as you know, that has not changed?

MR. CANNON: So far as I know, that has not changed.

Q This is in a sense a Republican Party position, then, as opposed to a Democratic Party position?

MR. CANNON: It is true that it was in the Republican platform that Puerto Rico should have statehood. That is in the 1976 Republican platform. The decision to go ahead and propose legislation at this time was a decision by the President.

Q This doesn't alter the platform, then, of the Republican Party, or won't in the future?

MR. CANNON: I think, again, every platform has to be debated in a quadrennial election year.

Q Who will introduce the bill on the Hill?

MR. CANNON: I am not sure. We have talked to some Members about sponsoring it. I am not sure who will sponsor it.

 Ω Jim, this is the enabling act? There is no separate act?

MR. CANNON: That is the enabling act.

Ω And it requires a simple majority by both houses?

MR. CANNON: Correct.

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 $\ensuremath{\underline{Q}}$ Is there anything else the Executive must do or the Congress must do?

MR. CANNON: Under this bill?

Q Well, in connection with the whole statehood issue. MR. NESSEN: Look at the last page, Russ.

MR. CANNON: Look at the last legal-sized page, at this chart, and you will see that actually Congress and the President must take several actions in the whole process in these eight major steps that must be taken before Puerto Rico can finally achieve statehood.

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Q But as far as the Executive goes now, this is it? The President does not have to present anything further to the Congress or to Puerto Rico?

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MR. CANNON: No. But constitutionally there are certain steps that he must take. For example, he must approve the State Constitution that would be proposed by an aspiring state.

Q The delay of 40 to 70 months, that is at the time that Congress has approved the bill?

MR. CANNON: From the time this act would be passed it would be an interval of from 40 to 70 months before Puerto Rico would become a state under this process.

Q Mr. Cannon, is this situation different from that of Hawaii and Alaska? Was there a more clear-cut statement by the people of those two territories that they wanted statehood as compared to Puerto Rico?

MR. CANNON: I believe it is fair to say that every State has had some differences in coming into the Union from other states. Some states have come in two at a time. I believe Arizona and New Mexico did. But there are special circumstances in each state.

A difference here is that Puerto Rico does have a special status of being a commonwealth. They have special geographical circumstances. There are special questions relating to trade which aren't precisely true for Alaska and Hawaii. So part of the purpose of this extensive examination of the terms under which Puerto Rico should come into the Union, part of that process has addressed a great variety of issues, such as those I have just described, such as cultural issues. For example, the Spanish language. There is a feeling by some that the English language should be the principal language of all States, but we feel this is a question that should be discussed in Congress and in Puerto Rico before the final terms are set by which they might enter the Union.

Q Is one reason for this legislation, sir, a wish to send a message to both Castro and to any others who might wish to subvert Puerto Rico toward independence?

MR. CANNON: It did not figure in the consultations.

Q It did not?

MR. CANNON: They may have sent him a message. I do not know. It was not a matter of consideration. The President felt the central issue here is equality.

Q Was the State Department consulted at all as to the repercussions of this decision on relations of the United States with Latin America?

MR. CANNON: Yes.

Q And they gave a favorable reply?

MR. CANNON: Correct.

Q Jim, you have been working on this for a year?

MR. CANNON: Actually, I looked it up the other day, and I came to this job March 1st of 1975. One of my earlier visitors that month was Governor Hernandez Colon, who came to see me about the problems of Puerto Rico. They were having a recession and they were desperately in need of additional Federal assistance and we discussed the question of status at that time. When I came in, it had already been under consideration for a year or so. The question of status had been under consideration by the Domestic Council several years before that.

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Q During any of this period, did the subject of offshore oil reserves come up, and if so, in what context?

MR. CANNON: The only time it came up, to my knowledge, was after the announcement was made, when I was told about it. This was a kind of curious call. But as a practical and legal matter, the Commonwealth at this time does not have any rights to offshore minerals. As a State, Puerto Rico would have rights to offshore minerals. That is another question that should be resolved in the preliminary discussions before terms. will be set for Puerto Rican entry into the Union.

Q Given the President's pessimistic view of what can happen in the present Congress, is his motive really to set off some sort of informed debate about Puerto Rico?

MR. CANNON: Obviously, this is what he feels the process must begin. I think it is not correct to characterize that as his pessimism. The fact is, to my knowledge, Ernest Gruening spent well over two decades trying to persuade the Congress to permit Alaska to enter the Union. So I don't think to say that it will not pass in this Congress is necessarily pessimistic.

I think Congress is going to address it. I think there is a growing number of people in Puerto Rico who feel strongly about statehood, and I think that they will bring their message to Congress and that Congress will listen. I am optimistic about statehood for Puerto Rico. I believe it will happen.

Q And you and the President do believe there is a solid majority in Puerto Rico for statehood?

MR. CANNON: The facts speak for themselves.

 Ω Well, they require some interpretation, though.

MR. CANNON: All right. I will interpret it this way: The last plebescite on the main issue of Commonwealth versus statehood was in 1967. Then the vote was 60 percent for Commonwealth, 39 percent for statehood. It is interesting to us that since that time two of the three gubernatorial candidates were elected who supported the concept of statehood.

We feel that those figures show that there is a strong trend over time for increasing support for statehood and lessening support for the Commonwealth status. Q But you are not making the flat statement that there is a majority?

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MR. CANNON: I am not making a flat statement. I think that question cannot really be answered until the people of Puerto Rico would know the terms under which they might enter the Union. That is, again, why we feel it is essential that the long process of hearings, discussion, examination, and very serious deliberation of major issues that are still outstanding take place, so that the Puerto Rican people would know exactly what they are voting on.

Q But supposing this legislation is passed and the referendum says no to statehood? What happens then?

MR. CANNON: Then they remain as they are.

Q They remain as they are?

MR. CANNON: That is correct. They continue to be a Commonwealth, and that is provided for in the legislation. When the time for referendum comes, if the statehood issue fails, then the further steps are wiped out and Puerto Rico remains a Commonwealth.

Q Jim, am I correct in calculating then that, even if the Congress, the current Congress, were to approve this legislation, you are saying that Puerto Rico couldn't really become a State for perhaps eight years?

MR. CANNON: In the early 1980's. I think a realistic judgment would be that Puerto Rico, under this plan, would become a State in the early 1980's.

Q Governor Romero made an announcement today, or a statement in an interview, that the White House had agreed to change this legislation so no real action would be taken until after 1980, until the next gubernatorial term in Puerto Rico.

MR. CANNON: He did mention that he thought it would be best constitutionally. Under the laws and Constitution of Puerto Rico, there cannot be a referendum in a gubernatorial year. We discussed this matter, and once I explained to them this process, we concluded that it would be the early 1980's before a referendum could occur anyway.

Q Have you considered what this might do psychologically to other nations in the Caribbean area who might see some advantage and apply for admission as a State?

MR. CANNON: We have discussed it to some extent with representatives of the State Department. We did not perceive that at this point to be any problem. The association between the United States and Puerto Rico has gone on, as you know, for more than three quarters of a century and they do have a special status. In the eyes of most Americans there are special ties. So we believe that they occupy, in relation to the United States, a unique position that is not enjoyed by any other Caribbean nation. Q There is no change anticipated concerning the Virgin Islands?

MR. CANNON: Not at this time. This bill relates entirely to Puerto Rico.

Q There has been some speculation, including by the President of the University of Puerto Rico, that this proposal will create or provoke more terrorism on the part of the independence advocates, some independence advocates, for Puerto Rico, inasmuch as it is a divisive measure.

MR. CANNON: It is our judgment that the worst thing you can do is nothing; that the process must begin and that the proper status for Puerto Rico is the equality of statehood. The President felt strongly it was time to make a move, and he made a judgment that he would do so.

Q Jim, have you any thoughts on how you arrange 51 stars on a flag?

MR. CANNON: We haven't reached that point yet.

Q In about eight years?

THE PRESS: Thank you.

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(At 3:58 p.m. EST)

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