

# LBJ Cites Viet Gains, Strong U.S. Economy

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In a highly optimistic mood, President Johnson told a news conference yesterday that he was heartened by progress in Vietnam, the strength of the domestic economy and the progress of his program in Congress.

Despite discouraging head-

lines, the President found much to be thankful for and said that he was confident "we will achieve our objectives" in Vietnam as well as at home.

"I don't think we should panic because we have some problems," the President said.

He was optimistic about NATO and American policy in Europe, where he said "our policies are moving forward according to schedule."

Referring to the domestic economy and the Congressional battle, the President said "we are going in the right direction."

Reporting to newsmen on a Cabinet meeting, with some members still in attendance, Mr. Johnson said:

"The economy is good. The employment is good. The wages are good. The profits are good. The farm income is good. So, as a people, we are doing well. We all have ambitions. We have higher goals and we want to do better, but the reports today were constructive and encouraging."

Asked about Vietnam, the President said it was not discussed at the Cabinet meeting. But he said he was hopeful

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## Johnson Is Heartened by Vietnam

the Vietnamese could write a constitution as early as possible.

"That kind of representative government is a much-desired objective, and we believe that in time it is attainable," the President said. "We are working very much to that end."

"Politics is never easy in our country—even with all of our experience—and it certainly isn't easy in the midst of aggression like that being waged against South Vietnam," the President said.

"But with reasonable unity and proper diligence—and by constantly keeping in mind our national interest—we will

achieve our objectives here and there . . .

"They (the Vietnamese) are moving forward step by step. While there will be missteps, the direction is sound."

That is about the way it is here at home, too, Mr. Johnson added. "I think you will find that the historians will record that you lived in a period when we made greater progress in health, education, conservation and development throughout the world than in any similar period in history," he said.

"It is a very exciting time to live in. There are many constructive things that we can all do."

The President complained that the press had failed to emphasize the progress the electoral commission is making in Vietnam in preparing for elections.

A White House spokesman explained that the President felt more headline-grabbing events had pushed aside reporting on constructive work the commission has done.

When asked whether he might not have been too successful in slowing down the economy, the President said "no, we haven't reached that conclusion."

He said there is some indication that the cash budget

## Progress, Strong U.S. Economy

for this calendar year may be in surplus.

The President declined to speculate on whether he is moving further away or closer to a proposal for a tax increase. He said he would study all the factors from day to day and see what happens.

The President said he was still hopeful that Congress "in due time" would approve his proposal to allow him to negotiate most-favored-nation trade agreements with the Soviet Union and Eastern European Communist countries. Congressional leaders have virtually given up on the bill for this year.

When asked to comment on the proposal by Senate Minority Leader Everett M. Dirksen (R-Ill.) for a briefing of Congressional leaders on Vietnam, Mr. Johnson said "they are being fully informed."

He declined to say whether he would hold a briefing for them, but added: "We spend a good deal—I would say a substantial portion—of our time either briefing them or you."

Asked if he had a priority list of bills he wanted passed, the President said he tried to avoid "that old trap."

While a large number of Administration bills remain to be considered, the President said:

"I think we are making very good progress. We are very pleased with what the Congress is doing."

Before the Cabinet meeting, the President conferred on NATO problems with Acting Secretary of State George Ball, former Secretary of State Dean Acheson, Clark M. Clifford, chairman of the President's foreign intelligence advisory committee, and members of the White House staff.

Later, the President confirmed on fiscal and monetary problems with Secretary of Defense Robert S. McNamara, Secretary of the Treasury Henry H. Fowler and other officials.