

# Transcript of President's

Following is a transcript of President Ford's news conference, held in Hollywood, Fla., yesterday, as recorded by The New York Times through the facilities of ABC news:

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## News Conference on Domestic and Foreign Matters

### OPENING STATEMENT

Good morning, will you please sit down.

First let me express my appreciation to the people of Florida for their hospitality. It's been a pleasure being here and I look forward to the rest of the day.

Before answering questions, I have a short prepared statement that I would like to make at the outset. It reads as follows:

There have been reports in recent weeks of attempts in the international banking community to discriminate against certain institutions or individuals on religious or ethnic grounds.

There should be no doubt about the position of this Administration and the United States. Such discrimination is totally contrary to the American tradition and repugnant to American principles.

It has no place in the free practice of commerce as it has flourished in this country.

Foreign businessmen and investors are most welcome in the United States when they are willing to conform to the principles of our society. However, any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States.

Mr. McDermott.

### QUESTIONS

#### 1. Middle East Intervention

Q. What was behind Dr. Kissinger's recent observation that some day we might have to go in and destroy the oil wells of the Middle East? Do you envision such a possibility ever happening?

A. I don't recollect the precise statement that is attributed to the Secretary. I suspect you are referring to the oft-quoted statement about strangulation. I have answered that question, as has the Secretary, on a number of occasions. To be repetitive at this point, I think might increase speculation. The facts are that that was an answer to a very hypothetical question of the most extreme circumstances and both the Secretary and I have indicated our views on the subject. Q. Thank you.

#### 2. Vietnam and Cambodia

Q. Mr. President, is what you call our moral commitment to arm South Vietnam and Cambodia open-ended and what are you doing specifically to bring the warring parties to the peace table?

A. Well the commitment that we have to the South Vietnamese and the commitment that we have to some extent in Cambodia is one that we, the United States, agreed at the Paris peace accords that we would withdraw our forces and that hopefully peace would be established in Indochina.

A part of our commitment was that we would in the process, or as the result of the withdrawal of our own military personnel, we would continue to supply arms on a replacement basis and that commitment was predicted on the willingness of the South Vietnamese to fight aggression from North Vietnam.

The South Vietnamese are fighting, are trying to protect their country and are seeking to defend their country from invasion.

It seems to me that as we look back at our participation in the Paris accords and the promises that were made, as long as they were willing to fight against aggression and invasion that we had an obligation to help them with military equipment on a replacement basis.

The situation there is one that I'm willing to negotiate with the Congress. I indicated that if the Congress would join with me, we would make a firm and final decision on a three-year basis to permit South Vietnam to get over the current crisis that they face.

I think that would be a reasonable solution. I am told that the South Vietnamese in a three-year period with our military and economic aid would be able to handle the situation.

Q. What about Cambodia?

A. In Cambodia, the problem there is extremely critical. Unless there is additional U. S. military aid, as I have recommended, the Cambodians will run out of ammunition in a relatively short period of time.

I think that would be most unfortunate because if they are able between now and the end of the dry season to maintain their national integrity, the present Government, there is a possibility of negotiations that might end the war in Cambodia.

#### 3. Compromise on Energy

Q. Mr. President, with reference to your energy economic program, Congress is going off in one direction, you have suggested another direction; you have also suggested that you're willing to compromise. I wonder if you might specify some of those areas of compromise.

A. I wish there was a single plan proposed by the majority party in the Congress. It's a slight exaggeration, but there are many, many plans that have been discussed by the majority party. I can think of three in particular.

The plan that's proposed by Senator Pastore. The plan that is proposed by Congressman Jim Wright of Texas. And the plan that has been proposed by Chairman Al Ullman of the House Committee on Ways and Means. And I understand there are many more.

What we need is a plan that the Democrats can agree on—if they can. And then we can sit down and hopefully negotiate. I'm willing to cooperate. But we have to have something to cooperate with. And so far they have not come up with anything where they're in agreement.

So until they do, we're going to pursue our plan which I think is fair and equitable and a solution to the energy problem.

Q. Are you saying you need a single package plan from the Democrats before you will negotiate?

A. I think that's a fair statement, and I think that it's a fair proposition. We have to sit around a table with a group or somebody where they say here's our plan and here's my plan, and they can try to integrate them.



But until they have some consensus on their side, we're in the position where there's no real viable plan for us to take a look at.

Now, I intend to keep the pressure on. The pressure that I have used in a legal and legitimate way has precipitated more response in the Congress than any time in the last three years.

We still have some time. And when I get back to Washington if they've got a plan where they agree, then we can sit down and negotiate.

#### 4. Tax-Cut Legislation

Q. Mr. President, some of the news executives who had breakfast with you this morning report that you talked about Congress not acting on an anti-recession tax cut until June. Are you really that pessimistic about the outlook?

A. I certainly hope that Congress acts before then, but I submitted my economic plans for the stimulation of our economy so we could reduce unemployment, so we could increase employment in January—I think it was Jan. 15—of this year.

And our proposal was very simple and hopefully it would result in Congress acting very quickly.

It's almost five weeks now and the House of Representatives has not yet acted. I hope they act this week. Hearings probably start in the Senate Committee on Finance next week and then it has to go to the Senate, and then if there are differences between the Senate plan and the House plan it'll have to go to conference.

That could conceivably take until June. I think that is very ill-advised and extremely serious. We had hoped that Congress would act by the middle of March at the latest and they could have if they had taken the simple specific tax reductions that I recommended.

Unfortunately, the parliamentary process has been slowed down in the Congress and the country has been the loser. We need a stimulant now and I hope the Congress will realize the urgency of the need for action and I trust that now that they have been reminded of their slowness that they will expedite the process.

#### 5. Meany and Nationalization

Q. Yes sir. Good morning, Mr. President. I'm Vic Powers from The Sun Sentinel. Last week here in South Florida, George Meany proposed nationalization as an ultimate solution of the oil industry. Heretofore there have been proposals from Congress for the nationalization of health insurance and for utilities and for the railroads. Do you see these proposals as a reluctance on the part of the American people to tough out our economic woes and accelerate a drift into socialism, sir?

A. I don't think the nationalization of any industry in the United States is in our best interest nor do I think a Government monopoly of any industry is a good answer. Without being critical of individual employees of the Postal Service, I think the Postal Service has not been as good an answer as we would like to the delivery of mail.

We're trying to improve it. But it does seem to me that there is a better answer to the energy problem than the nationalization of the oil industry. We do not have to stimulate production; we do have to, through the windfall profits tax that I have proposed, keep profits at a reasonable level. We do have to make sure that we get away from foreign oil imports. But I honestly don't believe that nationalization is the best answer.

#### 6. Oil Company Revenue

Q. Mr. President, on oil. With your favoring of a minimum price level and oil deregulation, won't you be guaranteeing to the oil companies a revenue bonanza that's based solely on the arbitrarily high price levels that have been set in the past year or so by the OPEC countries?

A. My energy program does not guarantee any specific price except that we have been negotiating with other consuming nations for what is a minimum price or a floor price.

A minimum price at a reasonable level is a way in which we can continue to stimulate domestic production of additional oil, additional natural gas and other energy sources such as solar, geothermal, etc.

We are not guaranteeing oil companies any particular price and if there is a windfall profit, then the Congress has an obligation to enact my windfall profits tax so that there will not be inequitable benefits from the energy crisis by the oil companies.

#### 7. Rationing and Allocation

Q. Bill Grove, from Jacksonville. Mr. President, is it true that either rationing or allocation would be less inflationary than the package you have proposed and would be less burdensome on those least able to pay?

A. I don't think that's the fundamental issue that's involved. Rationing, gasoline rationing, for example, would be very inequitable, and it wouldn't provide any stimulant for new sources of energy, either oil, natural gas or any of the others.

Allocation, import allocations, I assume you're referring to, according to the experts that have looked at it, that I've listened to, tell me that would probably be more injurious to our economy than any other procedure that was used.

You would have Government officials making arbitrary decisions as to how much oil could go to one industry or to another, and that would inevitably be discriminatory, and I happen to think that the price mechanism procedure which I have proposed is a better plan because it gives flexibility to users to make those basic decisions.

Now, the plan that I've recommended has, according to the experts that we've talked with and I've listened to, would have a one-shot increase in cost.

On the other hand, through the tax rebate program that I have recommended, the added energy cost to individuals, to business, to government would be returned to those people who have had an added cost. So it would be neutral as far as the users are concerned and it would stimulate production, which is what we really want.

#### 8. Action on Unemployment

Q. Mr. President, now that unemployment has reached a very high point and it seems likely to go even higher, is

there anything that you can do as President to alleviate the situation without going to Congress and if there is, what is it, and do you intend to do it, and if so, when?

A. Well, No. 1, we submitted an economic plan to the Congress, a tax reduction proposal that would have returned to taxpayers, or resulted in a reduction of taxes of some \$16.5-billion. That proposal's on the agenda of the Congress—I wish they would act more quickly and some of our problems might be alleviated.

Other than that, I think we have to seek to restore public confidence in the system and in the prospects for economic revival. There is some evidence that the public now believes, as most experts agree, that we are bottoming out so to speak, and the prospects for an increase in employment and a decrease in unemployment will come sometime in the third or fourth quarter of 1975.

Q. Well, what you're saying then is that there really is nothing more that you, as President, can do?

A. I don't believe so. On the other hand, if there is anything, instead of increasing expenditures as some have suggested, I would favor a larger tax decrease. But at the present moment, I don't think we have reached that point. I simply would hope that the Congress would act so we could find out whether that's enough stimulant.

But other than that I know of no other proposal.

#### 9. Policy Toward Cuba

Q. Mr. President, your Hispanic adviser, Fernando DeBaca, told The Miami News yesterday that you have never formally re-evaluated U.S. foreign policy toward Cuba since you became the President. Are you in the process of re-evaluating the Government's position, and do you foresee any lifting of economic and diplomatic sanctions toward Cuba in the immediate future?

A. Very frequently in my daily meetings with Secretary of State Kissinger we discuss Latin-American policy, including our policy toward Cuba. The policy today is the same as it has been. Which is that if Cuba will re-evaluate and give us some indication of a change of its policy toward the United States, then we certainly would take another look.

But thus far there's no sign of Mr. Castro's change of heart, and so we think it's in our best interest to continue the policies that are in effect at the present time.

#### 10. Sale of Armaments

Q. Mr. President, a number of responsible Americans, including Senator Mansfield, have expressed concern that we are selling more arms than ever to more nations. We now sell to Pakistan as well as India, to Arab countries as well as Israel. What is your credo in regard to arms sales? Is it influenced by the state of the economy? And what do you say to those who say that such sales are immoral?

A. First let me be very specific. The sales of U.S. military equipment to any country is not predicated on trying to help the U.S. economy. We do have a policy of selling arms to other nations if that country feels it has an internal security problem and, No. 2, if it is necessary for one or any of the countries to maintain their national integrity or security. We believe that in many areas of the world a proper military balance is essential for internal as well as external security of the various countries.

And where other nations, such as the Soviet Union, does sell or give arms to one country or another, if another country feels that for its own security it needs additional military equipment and has the cash then we feel that it is proper to make a sale from the United States to that country. Q. Thank you.

#### 11. Poor and Elderly

Q. Mr. President, South Florida has a disproportionate number of elderly persons, thousands of poor and elderly who are finding it hard to even have one hot meal a day. How can we justify Federal programs that would reduce or take away what little assistance they are getting now, particularly when we continue to pump billions of dollars in foreign aid overseas? The question they're asking is, "When does charity begin at home?"

A. Let's take the food for the elderly program. In this current fiscal year the Federal Government is spending \$202.5-million for that program under the older citizens legislation, which is six times what it was four years ago. Now we will continue to monitor the situation and if that is inadequate we will do our utmost to find additional funding. But I think it has to be put in perspective that \$202-million plus is not an inconsequential amount just for that one program, plus the other programs that are aimed at helping our older citizens.



I feel very strongly that they should be given adequate aid and assistance plus Social Security and I should say that I have not recommended a reduction of Social Security but have recommended a 5 per cent increase in Social Security benefits along with other programs.

### 12. Watergate Pardons

Q. Mr. President, good morning. I wonder now that the sentences have been handed down in the Watergate case against former top Administration figures how you would feel on the issue of pardon for those men, especially in the light of their contention that they had done nothing that is any more wrong than the President under whom they served.

A. Well it seems to me, No. 1, since they are appealing their sentencing, that it would be inappropriate for me to make any comment one way or another.

And, No. 2, if and when the time comes, the proper thing for them to do would be to apply in the regular procedure or process, which is through the pardon attorney in the Department of Justice.

Q. Without getting into specific cases, on the general premise, would you be sympathetic more in these particular cases toward a pardon because of the circumstances? A. I don't think it would be appropriate to make a comment in that regard because they are limited in number and I would not want to prejudice their current appeal by any comment that I might make.

### 13. Oil Import Program

Q. Mr. President, as you know, Florida boasts some of the highest electrical power bills in the nation. Won't the people who pay those bills be hurt substantially by your foreign oil import program since most, if not all of the oil that Florida power companies burn, comes from Venezuela?

A. The energy program that I have recommended would not result in Florida paying a disproportionate share of any cost increase. As a matter of fact, under the administrative action that I have taken, we have, under the first dollar, exempted heating oil as far as Florida is concerned, as far as New England is concerned, as far as Hawaii, the areas that are, as you indicate, in the same circumstance as Florida.

And under the permanent program that I have recommended, the added energy costs to a family or to business or to government would be rebated to the individual, to the business, and to the governments so there would be a neutral impact. Therefore, it seems to me, that my proposal is extremely equitable and would not result in any disproportionate burden being placed on Florida or any state in a comparable situation.

### 14. Arab Embargo of Jews

Q. Mr. President, your Opening Statement seemed to imply that the United States was planning some sort of action against the Arab nations that have embargoed Jewish-owned banks. Could you be more specific? What sort of thing might we do in this case if the embargoes continue?

A. All we have so far are some allegations. I have asked the Departments of Justice, Commerce and State to investigate any allegations. The actual action that would be taken will be forthcoming from recommendations by those departments. They have not been placed on my desk at the present time.

### 15. Aid and Credibility

Q. Mr. President, you have referred to the question of aid to Cambodia as a moral one, relating to the credibility of the United States. But is the issue of credibility really at stake when so many of those with whom we would want to maintain it criticized our involvement in that area to begin with and long urged us to get out before we did? A. Are you referring, sir, to other nations?

Q. Other nations, yes. A. I don't think we can conduct American foreign policy on the basis of what other nations think is in our best interest. The United States has to predicate its foreign policy on what it thinks is in America's best interest.

Now, we respect the right of other nations to be critical of what we do. But it's my responsibility and, I think, the responsibility of people in authority in the United States to make decisions that are based on what we think is good for America. And that's the way it'll be decided as long as I'm President.

### 16. Kissinger Stay in Post

Q. Mr. President, there's been a new

crop of reports in recent days about the possibility of Secretary Kissinger leaving office this year, to be succeeded by Ambassador Elliot Richardson. Could you comment on these reports? And specifically, do you expect Dr. Kissinger to remain in office at least until November of next year?

A. I happen to feel very strongly that Secretary Henry Kissinger is an outstanding Secretary of State. And he and I have never discussed any change in his responsibilities. And I know of no plans of any kind whatsoever, on my part or his part, to change the responsibilities, the very heavy and important responsibilities, that he has.

On the other hand, I recently submitted the name of Elliot Richardson to be Ambassador to Great Britain. I picked him because I think he'll do a first-class job there. And he has been recently confirmed, and I'm confident when he goes to London he will carry out those responsibilities in that job in a very exemplary way.

### 17. Illegal Immigrants

Q. Mr. President, it's estimated by immigration officials here in South Florida that there are up to 90,000 illegal aliens gainfully employed in Southeast Florida alone. It's also estimated that our unemployment figure runs close to that amount. What is your office doing to address itself to this particular problem?

A. We have been trying to strengthen the arm of the Immigration and Naturalization Service, the Department of Justice, in order to handle in an appropriate way the illegal alien problem. Florida has a serious problem, California has an equally serious problem. We are trying to work with the Mexican Government, for example, primarily in the western states.

We are fully cognizant of the adverse impact that illegal aliens have on employment opportunities of American citizens. But we're trying to stop the flow in; we are seeking to send back illegal aliens as quickly and as possibly under the laws of the United States. Q. Thank you, sir.

### 18. Vice-Presidential Election

Q. Mr. President, Senator Pastore is proposing that there be a special election any time an appointed Vice President succeeds to the Presidency, that is, if there's more than one year of the term remaining. Since you're the only such person, what is your feeling about it? Would you recommend or endorse a change in the 25th Amendment?

A. I'm not sure that I ought to pass judgment on the validity of the 25th Amendment. I guess I could say it worked pretty well this time. But I think it's appropriate that the Congress take another look at the 25th Amendment. It was passed, as I think most of us know, not to meet the unique circumstances that developed in 1973 and 1974.

Perhaps this experience does require the Congress to take a look to see whether there's a better way or a different way where a Vice President might be selected.

Q. Well, do you feel any handicap for

not having won a Presidential election and still holding the office? A. The answer is no.

### 19. Congressional Delay

Q. Mr. President, Jim Reynolds, WIOD News Miami. You've stated that the Congress has been slow to act on two of the nation's major issues, energy and the tax cut. As a former Congressman, can you give us any insight into why you feel the Congress is having this difficulty?

A. Well, in the failure of the Congress to act quickly enough in reducing taxes, as I recommended, I am really perplexed because we recommended a very simple method of returning \$16.5-billion to the American people and to American business. That should have been quickly considered, acted on very rapidly. And I don't understand why there's been the kind of delay that's taken place.

In the case of the energy problem, that's more understandable, even though I don't like it. It's a very comprehensive program that involves 170 pages in one bill that I recommended and that will require hearings and actions. But what disappoints me—and this I don't understand—is why there haven't been hearings before the proper committees in the House and the Senate on either my plan or the thought that the Democratic members in the Congress have on their plan.

That's why I have the pressure on with the import levy.

I think they are now beginning to focus on the needs and the necessities. Up until recently they just hoped the problem would go away. Now they're beginning to realize it is serious and hopefully there will be some affirmative action.

### 20. Commitment to Cambodia

Q. Mr. President, in answering an earlier question about Cambodia you used the phrase the commitment that we have to some extent to Cambodia to distinguish it from Vietnam. Just what is our commitment to Cambodia when at the time that American troops went in there in 1970 people were told that there wasn't going to be any long-term commitment. Could you explain that sir.

A. Well, Cambodia is in a somewhat different situation from Vietnam.

Vietnam is involved in the Paris accords. Cambodia was not in an official way. So our obligation which I think is important is that they want to maintain their national integrity. Their security of their country against outside forces and the policy of this country is to help those nations with military hardware not U. S. military personnel where the Government and the people of a country want to protect their country from foreign aggression or foreign invasion.

This is to a substantial degree in post-World War II the tradition of the United States.

And I think if people in a country want to fight for freedom, for their country, to the degree that we can, I think we ought to expand freedom around the world.

Q. Thank you Mr. President. A. Thank you very much.