

Transcript of the President's News

Following is a transcript of President Ford's news conference last night at the University of Notre Dame in South Bend, Ind., as recorded by The New York Times through the facilities of ABC News:

MR. FORD. Good afternoon. It's been a great and wonderful day here in South Bend. And I thank everybody for it and I'm looking forward to this news conference. Mr. Jack Caldwell.

1. New Duties for Hesburgh

Q. You and Father Hesburgh today had some very kind things to say about one another and also you did have an opportunity to speak with him privately. Do you have any plans for any additional appointments or duties for Father Hesburgh in your Administration?

A. Father Hesburgh had done a superb job on the Clemency Board, which is a very time-consuming responsibility. The Clemency Board has had a great upsurge in applicants.

I think Father Hesburgh and the others on the Clemency Board are going to be pretty busy in the months ahead. But let me assure you and others that someone who has as much talent and tremendous civic interest—once that job's over, I think we can use someone like Father Hesburgh in many more responsibilities.

2. Survival of Cambodian Government

Mr. President, you have said that the question of personalities is really not vital to a settlement in Cambodia. My question is, is the survival of a non-Communist government in Cambodia vital to the United States' security in Southeast Asia?

A. Miss Thomas, I think it is, and I can't help but notice that since the military situation in Cambodia has become very serious, and since the North Vietnamese have apparently launched a very substantial additional military effort against South Vietnam, against the Paris Peace Accords, there has been, as I understand it, in Thailand, according to the news announcements this morning, a potential request from Thailand that we withdraw our forces from that country.

And I noticed in the morning news summary before I left Washington that the President of the Philippines, Mr. Marcos, is reviewing the Philippine relationship with the United States.

I think these potential developments to some extent tend to validate the so-called domino theory. And if we have one country after another, allies of the United States, losing faith in our word, losing faith in our agreements with them, yes, I think the first one to go could vitally affect the national security of the United States.

3. Support for the Incursion

Q. Mr. President, may I ask you another question I've had on my mind for a long time. Since you supported the invasion of Cambodia five years ago, would you do the same today?

A. Well, that's a hypothetical question, Miss Thomas, because under the law I have no such authority to do so. I did support the activities then, the so-called Cambodian incursion, because the North Vietnamese were using that area in Cambodia for many military strikes against United States military personnel in South Vietnam.

It was a successful military operation. It saved many American lives, because those sanctuaries were destroyed.

Since I don't have the authority to undertake any such military obligation now, we have no United States military forces in South Vietnam, I think it's a hypothetical question which really I can't answer.

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Conference on Foreign and Domestic Matters

4. Farm Support Legislation

Q. Mr. President, in view of your commitments for Food for Peace programs and the national interest in slowing down the increase of food prices, what kind of farm support legislation will you support?

A. I believe the current farm legislation is good legislation. I helped when I was in the Congress to obtain its enactment. It has resulted in freeing the Federal Government from trying to run agriculture in the United States. It has resulted in the greatest production of food and fiber in the United States. It seems to me that this law, which was passed several years ago, it good legislation.

It has supplied our needs, it has made it possible for the United States to contribute very significantly in the Food for Peace effort around the world. Therefore, I think it's wise under these circumstances for us to keep this law and not tinker with it at the present time.

5. C.I.A. Assassination Plots

Q. Mr. President, Clark Clifford said today that he has already been questioned by the Rockefeller commission about possible C.I.A. assassination plots. Now, since you created the commission, I wonder if you think this is a proper area for the commission to get into?

A. Mr. Cormier, let me say at the outset this Administration does not condone under any circumstances any assassination attempts. We in this Administration will not participate under any circumstances activities of that sort.

Now, I have watched with interest and personal attention the stories and some allegations to the effect that assassinations were discussed and potentially undertaken. I have asked members of my staff to analyze the best way in which this serious problem can be handled.

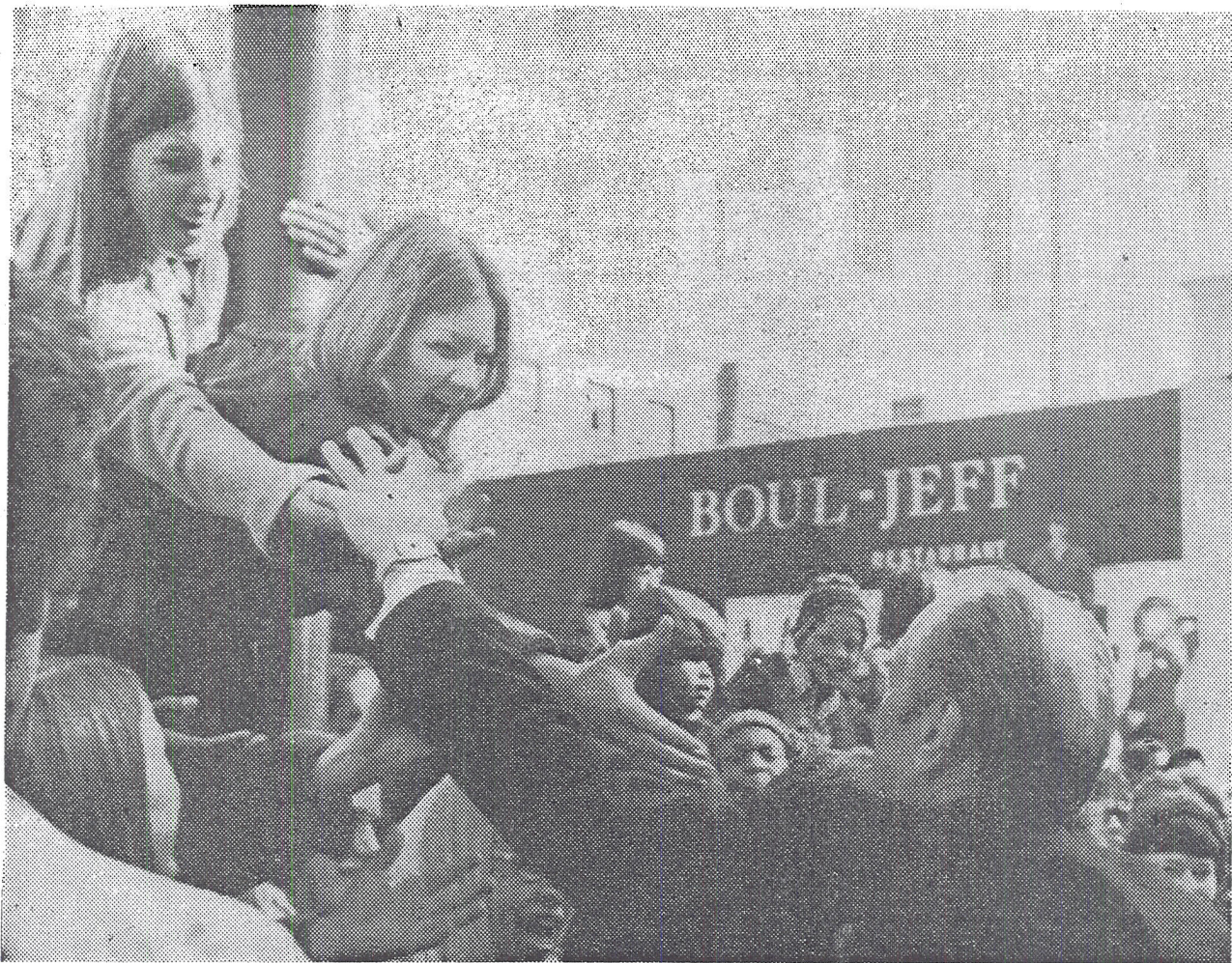
I did discuss it with the Vice President last week. And I expect within the next several days that I will decide the best course of action for the Rockefeller Commission or any executive branch investigation of such allegations.

Q. And that you think it should be gone into at least semipublicly. A. It is a serious matter and I will decide within the next few days the best course of action for the executive branch to take on these allegations.

6. Sensitivity to the Poor

Q. Mr. President, earlier here today a number of young people protested it was inappropriate for you to receive an honorary Notre Dame degree because they considered—they considered your lack of sensitivity to the poor and your decision to refund the war in Indochina. What would be your answer, your response to that?

A. I think you will find that the



United Press International

President Ford greeting people at South Bend, Ind., as his car paused on the way to the University of Notre Dame

budget that I submitted in January of this year was a very sound budget, it was not an austere budget. It did provide substantially for the poor in many respects. It provided for an expanded Community Development Act of \$1,600-million more for next year than for the current fiscal year.

It did provide \$202-million for the Older American Act, which is a substantial increase in this area over the last several years.

We have proposed and we will support a responsible program to help the poor in this country, and I think the budget that I submitted in January does just that.

7. Military Aid in Asia

Q. Mr. President, in your speech here at Notre Dame earlier today, you made a strong pitch for continued foreign aid despite the recession. And I was surprised that you failed to mention your proposal for more military aid to Cambodia and South Vietnam. Now I know that the military aid to Southeast Asia has been unpopular on many college campuses, and I wonder if your failure to mention that was because you feared you might be booed or there might be a walkout by students if you said your policy on that issue?

A. The speech that I made this morning on the Notre Dame campus was aimed at the broad concept that the United States must participate in world affairs; that this was a one world in which we all live.

I pointed out that I had always supported, as a member of Congress, the mutual security or the foreign aid programs—both economic, Point Four, Food for Peace, as well as the military assistance program.

It seemed to me that we needed a restatement of the basic reasons why foreign aid is important; that we live in an interdependent world; and that the United States has to make its full contribution in that regard.

The details can be discussed. The details can be argued. But we needed a restatement; a strong restatement of the broad general reasons why this country has to be part of the one-world concept—working with our allies, trying to eliminate difficulties between ourselves and our adversaries.

And it seemed to me that if that could be restated, we could work out the details within that concept and not rekindle the differences and difficulties that existed while U.S. troops were stationed and fighting in South Vietnam.

Q. Let me follow that up. If you had made a strong plea today for military aid for Cambodia and South Vietnam, do you think it would have been well received by the student audience. A. Since I didn't consider that as a part of my remarks, I really didn't consider the hypothetical question you're asking me.

8. Support for Illinois G.O.P.

Q. Mr. President, the Republican candidate for Mayor of Chicago, Mr. John Hoellen has stated over the weekend that he was either snubbed or given very short shrift by you at the White House, the Cook County Republican Committee's in a state of chaos—and the Republican Committee in Illinois is not much better off—what are you going to do for Mr. Hoellen and what are you going to do for the Republican party in Illinois in order to win it in 1976?

A. I seldom interject myself into local partisan elections. I do believe, however, that the President ought to be as helpful as he can in a state-wide partisan way at the proper time. I do believe that the state organization in Illinois is rebuilding and getting ready for the state and national elections in 1976. I consult with Senator Percy; I consult with the Illinois Republican delegation and I think in that way I can be a participant in making the Republican party in Illinois a viable political party in the very important elections of 1976.

Q. Are you going to ask Donald Rumsfeld to assess the situation? It's been reported that you would.

A. Don Rumsfeld made a speech in Illinois Friday night and I haven't had an opportunity to discuss with him his observations based on that speech. But I do intend to, probably tomorrow or the next day. I have a great deal of faith in Don's understanding of the problems in Illinois and a great deal of faith in his judgment as to how I and we can help in that regard.

9. Money Supply and Recession

Q. Mr. President, at a time when you say you're trying to end the recession,

the money supply in the United States has increased hardly at all. In the last six months of 1974, the money supply grew by less than one per cent and in November, December and January it actually showed a decrease—one of the very few times it has in modern times. Are you personally satisfied, from the standpoint of ending the recession, with the speed or with the rate of growth in the money supply in this country?

A. I met with Arthur Burns, the head of the Federal Reserve last week. He, of course, is the head of a very autonomous part of our Federal Government. But I do meet with him frequently to get the benefit of his views on our economic circumstances and I did ask what was the situation because there had been criticism such as you've indicated.

And it was pointed out to me by him, and there were a number of charts that were shown, which show the facts to be contrary to the facts that you've stated, that M 1, 2, 3, 4, 5, 6 and 7—all of them—show an increase. And I am one who has great faith in Dr. Burns. We are showing an increase in the money supply, there will be an adequate money supply available for the current economic circumstances we face, and will be an adequate money supply to meet the problems we have down the road.

10. Fears About Inflation Fight

Q. What Dr. Burns's chart showed you about long-term interest rates which as you know are the principal factor in capital formation. But I want to ask you this. A lot of people, a lot of economists, are worried that Dr. Burns and Mr. Greenspan and so forth are going to take this thing down just as far as they can and wring the last bit of inflation out of it that they can, and then try to turn it around. Are you satisfied, or what confidence do you have that we won't go so far with this thing that we can't turn it around?

A. Well, of course, we have made substantial progress in trying to win the battle against inflation. Last October the rate of inflation was something like 13 per cent. The last figures released about three weeks ago showed it was down to 7.2 per cent on an annualized basis.

Now, in the charts that I also looked at it showed that short-term interest rates had gone from something like 13 per cent down to about 6 per cent. And it showed that the trend on long-term interest rates was also a favorable one, going more slowly down than the short-term interest rates. But the trend is encouraging.

And if we act responsibly and don't have a larger deficit than I have proposed in the Federal Government, so that the Federal Government doesn't go in and sop up all of the money that's needed, we can keep the trend in long-term interest rates going down.

11. Plight of the Unemployed

Q. Mr. President, many of the steel workers and auto workers in your state, and in Indiana, are still out of work. What can you say to them by way of encouragement? How far do they have to wait?

A. Well the biggest stimulant we could get to the economy right now, which means more jobs for auto workers and steel workers, is to get the Congress of the United States to move quickly to enact a substantial tax reduction at the Federal level.

In January, I believe on Jan. 15 in the State of the Union Message, I urged a \$16.5-billion tax reduction bill as quickly as possible. It's now two months and two days and the Congress has not completed action on that tax reduction bill.

I hope that before Congress goes on its Easter recess it will enact a tax reduction bill like the one I proposed, or one that is reasonably acceptable. If we could get a tax reduction bill out of the Congress promptly, that would be the best hope to stimulate the economy and to provide jobs for the auto workers and steel workers, who are at the present time—particularly the auto workers—in desperate straits.

12. Rockefeller as Running Mate

Q. Mr. President, you have hinted about it before but so far you have stopped short of saying flatly that Vice President Rockefeller will be your running mate in 1976. My question, sir, is will he be?

A. I didn't think that I had ever equivocated on that and if the interpretation is that I have, then I want to straighten it out right now. Nelson Rockefeller has been an exceptionally active and able Vice President. I said when I nominated him I wanted him to

don't think it was anything malicious. I don't think it was any purposeful action. But if the money is available, and was appropriated by the Congress for the purposes set forth, it will be used according to the law.

Q. Are similar investigations of past A. The Inspector General, as I understand it, found out the \$21-million in Cambodian military aid that was revealed last week to me and publicly announced today. The Inspector General has a continuing responsibility to find out any and all circumstances such as the one that we're discussing.

15. Relations With Academic World

Q. Mr. President. As Father Hesburgh put it in his speech today, you're the first President to set foot on a first-rate campus in about 10 years. In that context and in light of the fact that President Nixon fired Father Hesburgh from the Civil Rights Commission, I wonder if you'd elaborate on your feelings about restoring better relations with the academic world and the task ahead of you in that respect.

A. One of the first actions that I took, one of the first trips that I undertook, was to go to the campus of Ohio State University. I might say, parenthetically, for a Michigan graduate to go to Ohio State is doing double duty, but I was well received there and I had a fine opportunity to present a new concept that we have for higher education.

This is another opportunity on the Notre Dame campus to continue that dialogue that I hope will not only expand but grow by leaps and bounds between the academic community and the Federal Government. There's no reason why we shouldn't work together. There are a great many reasons why we should use the talent, the ability, the personnel that does exist on the campuses all over the United States and I certainly intend to do so in the months ahead.

Q. The second part of the question, how much of a job is there ahead of you to restore better relations?

A. Based on the very warm welcome I received at Notre Dame today, I think we're on a good footing, and I certainly will bend over backwards to continue it and to expand it.

I think the dialogue is excellent. About a week or 10 days ago I met with 10 or 15 top college and university presidents. That was another step in this better rapport between the academic community and this Administration.

I can assure you we intend to do everything possible to make sure that it works.

16. Aid to Congress

Q. Mr. President, will you be giving Congress all the material that is asked for as part of its investigation of intelligence activity?

A. The Senate committee has asked for a considerable amount of material. That request is currently being analyzed by the top members of my staff. I will make a judgment on that as soon as we've had an opportunity to review all of the very substantial number of requests.

I can assure you and others that we will do all we can to indicate maximum cooperation. But until we've had an opportunity to review this request in detail, I'm not in a position to give you a categorical answer.

Q. Am I to understand that this executive branch investigation [by] the Rockefeller commission would possibly make it necessary or advisable for you to delay giving Congress the material that is asked for?

A. I don't think there's any necessary conflict between the Rockefeller commission and the one or more Congressional committees. The Rockefeller com-

be a partner, he has been, in the responsibilities on the Rockefeller Commission, in his responsibilities in the Domestic Council. I think he deserves great praise and I see no reason whatsoever that that team shouldn't be together in the campaign in 1976.

13. Rockefeller Commission Mandate

Q. Mr. President, in regard to Rockefeller's commission, commission's investigation of the C.I.A., would you at any time consider changing their mandate to include an investigation of possible domestic activities by the C.I.A. in regard to assassination attempts?

A. Let me reiterate the preface. I will not condone—in fact, I condemn—any C.I.A. involvement in any assassination planning or action.

Now, I did indicate in answer to a previous question that I am personally analyzing, looking at all of the more recent charges of any assassination attempt by the C.I.A., or actual assassinations from its inception to the present.

I am personally analyzing all of these charges. I have asked my staff to bring all of the material that's available to me personally. I've talked to Vice President Rockefeller about it. And I will determine within the next few days the best course of action to make sure that the matter is handled in the most appropriate way.

14. Sources of Cambodia Funds

Q. Mr. President, the State Department announced today that it had found something over \$20-million in 1974 funds that had been voted for aid to Cambodia and had not been sent and that it was making that money available now. Is this an artifice to get around Congressional appropriations and are there other sources of such funds that could be found?

A. I was informed last Friday of what appears to be very sloppy bookkeeping in the Department of Defense. And I condemn it if it is, and I will not condone it in the future.

I was surprised by these revelations. I

mission has been in operation now for a month or two, so they're under way.

They had planned to finish their work within the next month, as I recollect. They may have to go beyond that depending on certain circumstances.

But we intend to make as full a disclosure as is possible without jeopardizing America's national security.

17. Revenue-Sharing Program

Q. Mr. President, tonight you're meeting with several Midwestern governors. In light of some sagging revenues at the state and local levels, and your own budget tightening, what can you tell them about your long-range plans for return of the Federal dollar both to the state and municipalities under the revenue-sharing assessment?

A. In my State of the Union Message and in the Budget Message, I indicated that I was recommending an extension of the general revenue-sharing program with the annual add-on that takes care of the inflation impact as far as the state and local units of government are concerned.

So I'm on record, now, urging the Congress to extend the existing general revenue-sharing program.

Q. Mr. President, we haven't asked you about the gasoline tax lately. This afternoon, or this morning, on Air Force One, what Mr. Zarb said led me to believe that there may be a softening of the Administration's attitude. Are you still willing to stand by your earlier statement that you will veto any gasoline tax?

A. Well, I couldn't help but notice that over the weekend 102 Democrats joined in a statement in the House of Representatives condemning a gasoline tax.

I think a gasoline tax of the magnitude that several have proposed is not the right approach and I don't think the Congress will approve it.

I think the energy crisis, the energy program, can be best implemented by the proposal I submitted in January. And I hope that the negotiations between Mr. Zarb and myself with the members of the Congress on the respective committees will result in an approach that is comparable to mine, because I think the Congress will pass that.

I have very grave doubts that the Congress would pass a gasoline tax, and certainly my feeling in that regard was reaffirmed by 102 Democrats putting their name on the line, saying they wouldn't vote for one. And I think there's a better way to do it and we're going to work with the Chairman of the Committee on Ways and Means hoping to find an answer that is more like the approach that I have recommended.

18. Stand on Gasoline Tax

Q. To follow that up, you did say a gasoline tax of the magnitude that's being proposed by some. It seems to indicate a shift in your position there. Mr. Ullman has come down from 40 cents to possibly 25 cents. Now if he were to come down a little further, would you be willing to talk about maybe a 20-cent tax?

A. I read a news report a few minutes ago which said that the bill that he had introduced included a gas tax up to 37 cents over a three or four-year span. I don't think that's the right approach and I don't think it's feasible in trying to get the Congress to act.

Therefore I go back to a program that we proposed, which I think will be the answer, which I think the Congress eventually will buy substantially.

I'm very happy that we are negotiating, we are trying to find an answer with Mr. Ullman, the Chairman of the Committee on Ways and Means. And I am encouraged by what I understand is the progress that's being made.

Q. Thank you, Mr. President.