Transcript of the President's News Con

FRIDAY, OCTOBER 6, 1972

ference on Domestic and

Foreign Matters

WASHINGTON, Oct. 5—Following is the official White House transcript of President Nixon's news conference here today:

THE PRESIDENT: Go ahead.

1. Charges of Corruption

Q. Mr. President, what are you planning to do to defend yourself against the charges of corruption in your Administration?

A. Well, I have noted such charges; as a matter of fact, I have noted that this Administration has been charged with being the most corrupt in history, and I have been charged with being the most deceitful President in history.

The President of the United States has been compared in his policies with Adolf Hitler. The policies of the U.S. Government to prevent a Communist take-over by force in South Vietnam have been called the worst crime since the Nazi extermination of the Jews in Germany. And the President who went to China and to Moscow, and who has brought 500,000 home from Vietnam, has been called the Number One war-maker in the world.

Needless to say, some of my more partisan advisers feel that I should respond in kind. I shall not do so; not now; not throughout this campaign. I am not going to dignify such comments.

In view of the fact that one of the very few members of the Congress who is publicly and actively supporting the opposition ticket in this campaign has very vigorously, yesterday, criticized this kind of tactics, it seems to me it makes it not necessary for me to respond.

I think the responsible members of the Democratic party will be turned off by this kind of campaigning, and I would suggest that responsible members of the press, following the single standard to which they are deeply devoted, will also be turned off by it.

2. 'Smear' Campaign by McGovern

Q. Mr. President, do you feel that, as Vice President Agnew said the other day, that Senator McGovern is waging a smear campaign against you; would you characterize it as that?

A. I am not going to characterize the Senator's campaign. As a matter of fact, I don't question his motives. I think he deeply believes in a number of actions that he believes that this Government should take that I think would be very disastrous for this nation, as I pointed out in my acceptance speech. Consequently, as far as I am concerned, I will discuss those issues, but I am not going to raise any doubts about his motives. Incidentally, I have no complaint with his doubts about mine. That is his choice.

3. Settlement in Vietnam

Q. Mr. President, do you see any possibility of a negotiated settlement in Vietnam before the election?

A. The settlement will come just as soon as we can possibly get a settlement which is right, right for the South Vietnamese, the North Vietnamese, and for us, one that will have in mind our goals of preventing the imposition by force of a Communist government in South Vietnam and, of course, a goal that is particularly close to our hearts, in a humanitarian sense, the return of our prisoners of war.

I should emphasize, however, that under no circumstances will the timing of a settlement, for example, the possible negotiation of a cease-fire, the possible negotiation of, or unilateral action with regard to a bombing halt, under no circumstances will such action be affected by the fact that there is going to be an election November 7th.

If we can make the right kind of settlement before the election, we will make it. If we cannot, we are not going to make the wrong kind of a settlement before the election. We were around that track in 1968 when well-intentioned men made a very, very great mistake in stopping the bombing without adequate agreements from the other side.

I do not criticize them for that, of course, as far as their motives are concerned. I simply said, having seen what happened then, we are not going to make that mistake now.

The election, I repeat, will not in any way influence what we do at the negotiating table.

Secondly, because I know this subject has been discussed by a number of you, as it should be, in your commentaries and in your reports, the negotiations at this time, as you know, have been in the private channel, very extensive. We have agreed that neither side will discuss the content of those negotiations. I will not discuss them one way or another.

I will only say that the negotiations are in a sensitive stage. I cannot predict and will not predict that they will or will not succeed. I cannot and will not predict when they will succeed.

But I will say that any comment on my part with regard to how the negotiations are going could only have a detrimental effect on the goal that we are seeking, and that is as early as possible a negotiated settlement of this long and difficult war.

4. Delay by Hanoi

Q. Mr. President, it has been said that Hanoi may be waiting until after the election to make a settlement on the theory that if they got a Democrat elected they would get better terms for them. How do you answer that?

A. They could be motivated by that. There are those who believe that they were motivated to an extent in 1968 by political considerations in agreeing to a bombing halt before the election with the thought that defeating me was more in their interest than electing my opponent.

I do not claim that that was the case. I must say that both Senator Humphrey and I, I think, were quite responsible in that election campaign in refusing to comment on what were then only preliminary negotiations, recognizing that any comment by one who might be President might jeopardize the success of the negotiations.

Now, as far as Hanoi's putting their eggs in that basket, that only indicates that the American political scene is one that no one can predict. Despite what the polls say, and despite some indications on our side that we believe we have a good chance to win, there are many in this country and many abroad who think that there is a chance the other side might win.

Under those circumstances, they obviously could conclude, with some justification, that my insistence that we will never agree to a settlement which would impose a Communist government directly or indirectly on the people of South Vietnam, as compared with the statements of our opponents to the contrary on this particular point, might be influencing them.

On the other hand, we are talking. If we have the opportunity, we will continue to talk before this election and we will try to convince them that waiting until after the election is not good strategy.

5. Purpose of Bombing

Q. Mr. President, there are those of your critics who say that the bombing is really serving no useful purpose and it is needless. What purpose is the bombing now serving in view of the fact that the negotiations have not resulted in a settlement and in view of the fact that there still seems to be a good deal of military activity in the south?

A. Well, I think, Mr. Lisagor, you could really go further. There are those who say that the bombing and mining serve no useful purpose and are serving no useful purpose. Those same critics, as I pointed out in San Clemente, and have since had an opportunity to review, on May 1st, that weekend, all had reached the concusion that South Vietnam was down the tube. Time, Newsweek, The New York Times, The Washington Post, the three television network commentators—I am not referring to you, ladies and gentlemen, who are reporters—all in varying degrees wrote and spoke of the specter of defeat and the hoplessness of the South Vietnamese cause.

On May 8th, I acted to prevent that Communist take-over, which all of these same critics then predicted. After I took that action of mining and bombing, the same critics predicted that the summit was torpedoed. Some even went so far as to say we were risking World War III.

Those predictions proved to be wrong. Now these same critics say the bombing and mining was not necessary, it has accomplished no purpose and is not necessary for the future. Well, I would say, based on their track record, I would not give much credence to what the critics have said in any respect.

I will only say that the bombing and mining was essential to turn around what was a potentially disastrous situation in South Vietnam. The back of the enemy offensive has been broken. They hold no provincial capitals now at all.

This could not have been accomplished without the mining and the bombing, and the mining and the bombing will continue, of course, until we get some agreements on the negotiating front.

6. Russian Wheat Deal

Q. Mr. President, what is your reply to the critics who charge that scandal was involved in your Russian wheat agreements?

A. My reply is to have such allegations investigated; incidentally, with the thorough and complete agreement of Secretary Butz. Secretary Butz and the House Committee on Agriculture both looked into these charges that some of the big grain dealers, the so-called Big Six, got advance information and made a lot of money; and that particularly some of the wheat growers in the Southwestern part of the country who sell their wheat early, usually, in order to get a premium, were left holding the bag when, if they had the advance information that there was going to be a deal, they could have made some more money.

Now, if there was any impropriety, if there was any illegality, we want to know it. The way to find out is to put the best investigative agency in the world to work at finding out. As soon as their investigation is completed, and we want it just as quickly as we can, it will be made available to the Secretary and he will take whatever action is needed if there is an illegality or impropriety.

Let me turn, if I could, on the wheat deal, however, to another side of it that has also come to my attention. I have been rather amused by some of the comments to the effect that the wheat deal was really a bad one for the United States; that we got schnookered by the Russians. When I used that term with Mr. Gromyko he asked for a translation, but in any event—and I said, "Well, you acted like capitalists,"—but in any event—"because you didn't tell us that your grain failure was as great as it was."

Of course, his response was, "Well, what would you have done?" He said, "We knew we had to buy a lot of wheat and we didn't want to push the price up as fast."

But in any event, let me take very briefly a moment of your time to point out what was in it for us and what was in it for them. First, the wheat deal cost us $120-million in, as you know, payments, farm payments. But this is what we got from it; the farmers got $1-billion in more farm income. There were thousands of jobs created, including jobs in the American merchant marine as well as on the farm and in the processing areas as a result of the wheat deal.

The taxpayers were saved $200-million in farm payments that would otherwide have had to be made if we kept the wheat in storage and had not sold it.

Now, in addition, the wheat deal, this one, the one we have made with the Chinese, the one we have made with the Japanese for grain, and so forth, and so on have had a very significant effect in moving our balance of trade and balance of payments position.

As far as the terms were concerned when we went in I negotiated this directly after a lot of preliminary work had been done, and very good preliminary work, by Secretary Peterson and of course Secretary Butz. They wanted 10 years at 2 per cent credit and they finally took three years at over 6 per cent.

Now they got something they needed. They have a short wheat crop and they needed this wheat in order to feed their people, but it was also good for us.

Despite that, however, we certainly want no one to have gotten any inside information to make a profit out of it which was illegal or improper. If that did happen, we are going to find out, and will take action against it.

7. Position on Farm Aid

Q. Mr. President, do you agree with Secretary Butz that if he had known that one of his aides was going to join a grain dealer that he would not have taken him along in negotiating the Russian deal?

A. I have very great respect for Sec retary Butz's judgment in this matter. The only addition I would make to it is that when we announced the grain deal on July 8 in San Clemente, if you recall, it was only then that we were sure—and incidentally many are now wondering what is going to happen to the trade agreement.

I can't tell you whether there will be one or when. I think there will be one, but my point is that when we negotiated in this economic field as is the case when we negotiated in the fields of arms control, it is tough bargaining up and down the line, and until we get it nailed down we are not sure that we are going to get it. In this instance, while Mr. Butz's assistant did take a trip to the Soviet Union, he certainly, I think, would have been very unwise to rely on the possibility that there was going to be a deal until one was made.

If he did rely on it, he probably, in this instance, came out well. He could have come out the other way.

8. Reducing Property Taxes

Q. Mr. President, on the question of property taxes Mr. Ehrlichman has said that the Administration can reduce property taxes 50 per cent which will mean about $16-billion from the Federal Government presumably to states to make up for the property tax loss. How will you find that $16-billion without having to increase Federal taxes?

A. We can't do it all in one bite. We have to begin with that, as Mr. Ehrlichman has indicated. That is why we have set as a goal a 50 per cent reduction.

Now, let me indicate to you the priorities that I see developing with regard to property tax relief. We have to start first with the elderly. When I met with Mr. Merriam, who, as you know is the professional working with the Advisory Committee on Intergovernmental Relations, he gave me some statistics, which to me were terribly depressing. There are one million retired people in this country who have incomes of less than $2,000 a year, and, who, on the average pay a property tax of 33⅓ per cent of that income.

Now that is fiscally wrong, morally wrong, and certainly tax wrong. We must begin by lifting that burden from those people who have worked all their lives, are now retiredon what is basically an inadequate amount and are paying one-third of their taxes [incomes] for property taxes to send, basically, children to school.

I have discussed this matter not only with Mr. Merriam, but Mr. Shultz and I have had, as you have noted, a number of meetings on this in the past few weeks. We hope to have a plan which we can present at an early date. I cannot indicate to you what that date will be, but I will say this: One, we are going to propose to the next Congress a plan that will relieve, what will start down the road of reducing the burden of property taxes.

The first priority will be to reduce the burden of property taxes on the elderly and second, whatever step we take, one condition is, it must not require any increase in other taxes. We think we have found a formula to do that.

9. Watergate Investigation

Q. Mr. President, don't you think that your Administration and the public would be served considerably and that the men under indictment would be treated better, if you people would come through and make a clean breast about what you were trying to get done at the Watergate?

A. One thing that has always puzzled me about it is why anybody would have tried to get anything out of the Watergate. Be that as it may, that decision having been made at a lower level, with which I had no knowledge, and, as I have pointed out ——

Q. Surely you know now, sir.

A. I certainly feel that under the circumstances that we have to look at what has happened and to put the matter into perspective.

Now when we talk about a clean breast, let's look at what has happened. The F.B.I. has assigned 133 agents to this investigation. It followed out 1,800 leads. It conducted 1,500 interviews.

Incidentally, I conducted the investigation of the Hiss case. I know that it is a very unpopular subject to raise in some quarters, but I conducted it. It was successful. The F.B.I. did a magnificent job, but that investigation involving the security of this country, was basically a Sunday School exercise compared to the amount of effort that was put into this.

I agree with the amount of effort that was put into it. I wanted every lead carried out to the end because I wanted to be sure that no member of the White House staff and no man or woman in a position of major responsibility in the Committee for Re-election had anything to do with this kind of reprehensible activity.

Now, the grand jury has handed down indictments. It has indicted incidentally two who were with the Committee for Re-election and one who refused to cooperate and another who was apprehended. Under these circumstances, theg rand jury now having acted, it is now time to have the judicial process go forward and for the evidence to be presented.

I would say finally with regard to commenting on any of those who have been indicted, with regard to saying anything about the judicial process, I am going to follow the good advice, which I appreciate, of the members of the press corps, my constant, and I trust will always continue to be, very responsible critics.

I stepped into one on that when you recall I made inadvertently a comment in Denver about an individual who had been indicted in California, the Manson case. I was vigorously criticized for making any comment about the case, so of course, I know you would want me to follow the same single standard by not commenting on this case.

10. Plans for Campaigning

Q. Mr. President, when are you going to begin intensive campaigning, and are you going to begin intensive campaigning?

A. I repeat, Mr. Warren, what I have said previously in San Clemente and at San Francisco. Until the Congress adjourns, my primary responsibility is to stay here and particularly to stay here to fight the battle against bigger spending that would lead to higher taxes.

I have made a commitment, and I make it here again today. There will be no tax increase in 1973. However, there is one problem with that commitment. There will be no Presidential tax increase. Now we need the cooperation of the Congress, and there could be a Congressional tax increase. If the Congress, for example does not approve the $250-billion ceiling that we have requested, that is going to make the chances of avoiding a tax increase more difficult.

It does not make it impossible, however, because we have a second line of defense. If the Congress, as appears likely, continues to pass bills that substantially exceed the budget which already is at the highest limits that our tax income will pay for, if the Congress continues to pass bills and send them to the President's desk that exceed that budget, the Congress will have voted for a tax increase. However, I still have one weapon left, that is the veto.

My own prediction is that after talking to our own leaders and after hearing from some responsible Democrats in the House and Senate, that even though the Congress will probably send to my desk in the next two or three weeks a number of bills that will substantially exceed the budget, and that would result in a Congressional tax increase, I think my vetoes of those bills will be sustained and that will make it possible for me to keep my commitment for no tax increase.

That shows one of the reasons why it is important for me to stay on the job here in Washington until the Congress adjourns and until that very great dange of a tax increase caused by Congressional overspending is met and defeated.

Now, once the Congress leaves, or once I see that danger passing, then I can make plans to go into various parts of the country. In the meantime, I am going to have to limit my travel, as I have indicated, to perhaps once a week, on a day that I see no significant problems that I need to attend to here, but I will not do more than that.

If I have to choose between engaging in all of the spectaculars of a campaign, which I have been doing virtually all my life, every two years for 25 years—if I have to choose between that and staying on the job and doing something that would result in avoiding a tax increase for the American people, I am going to stay right here on the job.

11. Forecast of Election

Q. Mr. President, to follow that up, if you can be a prognosticator, in 1965 you receive 301 electoral votes. What do you see for yourself in 1972? A. 301 was enough, wasn't it?

Q. True.

A. Our goal is to get as many as we can, electoral votes, and as many popular votes as we can. I know that the political questions have been discussed very broadly. I would take a moment on that and might refer to your question, too, but then you follow up if I don't answer.

The problem with a candidate who is ahead in the polls—of course, I like this kind of a problem better than being behind—but the problem of a candidate who is ahead in the polls, and his organization, is a very significant one in this respect: It is the problem of getting his vote out. What we need above everything else is a big vote. In order to get a big vote, it means that people have to be stimulated to vote. That is one of the reasons that going to the country and participating will help get that big vote out, and when the time permits, I will go to the country in order to get the vote out, among other things.

With the candidate who is behind substantially in the polls, he doesn't have that problem. With all the pollsters—and the pollsters always remember when they predicted right, but never when they predicted wrong—this does not prove anything necessarily, because when the margins are up in the 60-40 range, on the fringes it is always quit soft either way.

But in 1964 I was interested to find that Gallup never had Goldwater with more than 32 per cent against Johnson. In fact, Gallup's poll, taken one week before the election, showed Goldwater at 32 per cent. He got 39 per cent. Why? The Goldwater people voted and many of the Johnson people thought they had it made.

We, of course, have the same problem. Of course, Johnson still won. Maybe we will. What I am simply suggesting is that as far as predictions are concerned, I have told all of our people, "Don't rely on the polls."

"Remember that the candidate who is behind will tend to get his vote out. Ours will tend not to get out. Get our vote and try to win as big a popular vote as we can and as big an electoral vote as we can."

The purpose: Not to make the other candidates look bad, but the purpose is to get what I have described as the new American majority in which Republicans, Democrats, and independents, join together in supporting not a party, or not an individual, but supporting the record of the past four years, the positions which are very clear-cut that I have taken on the great issues, and thereby giving us the opportunity to continue in those four years.

12. Plans for News Conferences

Q. Mr. President, as Election Day comes closer, you have also been criticized for isolating yourself, not make yourself available for questioning.

Q. Hiding.

Q. Apart from going out and hitting the hustings, do you plan to have more press conferences between now and Election Day?

A. Well, I would plan to try to find ways to be as available for purposes of presenting my position as I can. For example, in the matter of taxes, how we avoid a tax increase, I know that Mr. Ehrlichman, has represented my views and Mr. Shultz, as have an umber of others. I have tried to cover it here briefly this morning.

But at Camp David yesterday, I completed a speech that I had made on the subject and while I cannot get away this weekend, I am going to deliver it by nationwide radio on Saturday night. So for the writing press, you will have time for the Sunday papers. That is only coincidental, of course.

Q. In light of the fact that because Congress has not adjourned, you cannot get out, why can't you accept us as a surrogate for the people you can't see and have more press conferences between now and November 7th?

A. If you would like to be a surrogate we have plenty

Q. We can ask the questions the publi is asking.

A. Well, Mr. Potter, the press conference, to me, is not basically a chore. When I say "a chore," it is always a challenge, and it is one that requires hard work. I recall, incidentally, in that connecting, speaking of the press conference, I think I have told you once when we were riding in the back of the plane, it was not as good as the one we have now, but you remember those days, we had very few good planes, a DC-3. But I recall that we were talking about speech writing and how I hated to write speeches and I talked to Foster Dulles about it after he returned from one of his many trips abroad and he always made a speech and I said, "Don't you hate to write speeches?"

He said, "Yes, I used to. But," he said, "now I do it, I consider it necessary to go through the torture, because the writing of the speech disciplines my mind and makes me think through the issue."

I must say that preparation for the press conference helps to discipline my mind to talk about the issues. To come precisely now to your question. I think that the format of questions and answers, for members of the press, can be useful. Certainly I will consider the possibility of using that format. Maybe not just here, maybe in other places as well. But we wouldn't stack the questions.

13. Stand on Income Guarantee

Q. Mr. President, now that welfare reform appears to be dead, or at least going, on Capitol Hill, I am wondering, if after all this, you still support the principle implicit in H.R. 1 of the minimum income assistance for poor families and whether you would push for those principles in a second term?

A. The answer is yes to both questions. As far as welfare reform generally is concerned, the Senate has not completed its actions, its consideration. The problem with the Roth amendment, of the test, is that it lacks the trigger device and it means you would start all over again.

The one point I want to emphasize with regard to welfare reform, the program that we have presented for welfare reform, with its strong work requirements and with its assistance to the working poor, with the purpose of providing a bridge and an incentive for them to get off of welfare and to work, from a fiscal standpoint, stretches the budget as far as it can be stretched. We can't add anything to it.

And, from the standpoint of the amount to be provided, it goes as far it should go, and I would oppose any program that would add more people to the welfare rolls, millions more, as would all three of the programs advocated by our opponents, whichever one you want to pick. I would oppose any program that would add more to the welfare rolls than H.R. 1.

What we need are programs that will move toward moving people off of welfare and not raising the ante so that people are encouraged to go on it.

So, I would take J.R. 1. I would very greatly strengthen the work requirements in it. If the Senate and the House, as appears possible now, not certain, I hope not certain, fail to act, we will grapple with it in the new term and try to get the support for it.

14. Amendment on Busing

Q. Mr. President, there is an anti-busing bill on the State calendar that I believe you support. Its passage is problematical, as I understand it. If it is not passed, I wonder if you would support the constitutional amendment?

A. I have indicated that, first, I am against busing. This is, of course, one of those clear-cut issues in this campaign, when people want to know what they are, I am against amnesty, I am against busing, I am against massive increases in spending that would require a tax increase. I am against cutting our defenses by $30-billion, which would make us second to the Soviet Union.

I am for the domestic proposals that I set forth in such great detail in the '72 State of the Union, and that, incidentally Mr. Semple, was in it. I endorsed all of those. Those are part of the program for the future health, Government reorganization, welfare reform and the rest and we hope to have a Congress that will be more responsive in getting them through.

Now, the question of what to do about busing is now right in the Congress's lap. If the Congress fails to act in a way that provides some relief from these excessive busing orders that have caused racial strife, and primarily in Northern cities as distinguished from Southern cities, then I intend to find another way.

There are two ways we can go: With a new Congress, which might be very much more responsive on this issue after they have found out what people think in the hustings, with a new Congress we might get very quick action on the legislative front. That I would prefer.

If we cannot get the Congress to act on the legislation front, then we would have to move on the constitutional amendment front.

I would point out that, however, the legislative front is preferable and also easier, and quicker, because it requires only a majority and not two-thirds and also can move quickly on the issue.

So, if we don't get it now, we will go for it as a matter of the highest priority in the first session of the next Congress.

Q. Thank you, sir.