

NYTimes MAR 16 1974 Transcript of President's Remarks and

Following is the transcript of President Nixon's remarks yesterday at the Executive Club of Chicago, questions submitted to him by members of the audience and his replies, as recorded by The New York Times through the facilities of A.B.C. News:

OPENING REMARKS

Thank you very much. President Clark, [William N. Clark, president of the club] Mayor Daley, all of the distinguished guests on the platform and all of the distinguished members and guests of the Executive Club of Chicago. I appreciated the introduction, however, as I told President Clark I not only spoke when I was in office, as Senator and also as Vice President, but this club was good enough to invite me when I was out of office—and that I appreciated very much!

Also I was told this was the first time that a President of the United States has ever addressed this club while in office. I appreciate that honor and in reciprocation let me say that after I have completed my term of office—which I expect to do three years from now—I will be back.

Now, because I have appeared before this organization on three different occasions, I have heard from your members what you like in the way of speeches and questions and answers. And usually you have said that the speeches were too long and the time for questions was too short. So consequently, following that very good advice and speaking from that experience, I shall not make an opening statement today. I figure that most of the questions will be long enough.

So under the circumstances I shall turn immediately to your questions and you shall have the entire period of approximately 50 minutes for questions. I understand that they've asked me to turn left—it's very hard for me to do so, but I will for the first question.

QUESTIONS

1. Politics and the Young

Q. Mr. President, would you encourage young people to get into politics; and if so, how?

A. I know there is a tendency these days for some young people, because of the situation that politics appears to be a profession—and I use the word profession very advisedly and very directly—a profession where there are those shares of fistakes which become highly publicized and where the political man or woman is subject sometimes to unfair criticism, and in any event to a standard of conduct that is even higher than that of most people, there's a tendency of young people to throw up their hands and say, "Let somebody else do it. We're going to do something which suits us more." You know the common saying is, "We want to do our own thing."

I would urge young people to get into politics in America for several reasons. First, if they don't like the way the political system works, the way to do something about it is not to stay out and whine about it but get in it and change it.

Second, because this is a great time to be in politics in America. I realize there are those who would question that, question it because of the problems we confront at home and those we confront abroad.

But today, what America does in meeting its own problems at home and what America does or fails to do in providing leadership which, having now won a peace will keep the peace for a generation and longer abroad, what America does is absolutely indispensable. This is a great challenge, and if I were a young person and had the opportunity to get into politics, I'd want to be in there working in politics rather than on the outside.

Now that doesn't mean that everybody should get in and run for office, there isn't room for everybody to run for office. But it does mean that every young person should participate, either by actively being in politics or by supporting the candidate or the party of his choice.

And while he will have his disappointments, he will win some, he will lose some—I'm an expert on both. I can assure you that getting in and participating can be a mountaintop experience, and particularly in America at this time, when what we do in America will determine the future for 200-million Americans, but the future for 3 billion people on this earth.

2. Presidency and Congress

Q. Mr. President, you've said on many occasions that you are willing to cooperate with the special prosecutor and Congress in this Watergate situation, but going beyond a certain point might tend to weaken the future constitutional relationship between the Presidency and Congress. Now I agree, but I think there's a great deal of confusion among the public, and maybe not enough of a point made. And I wonder if you would care to make a few additional comments on that point.

A. Well, first, with regard to cooperation, as you probably are aware, we have cooperated with the Rodino committee, the Judiciary Committee of the House of Representatives, by my directing that all of the materials that were furnished to the special prosecutor have been turned over to the Judiciary Committee.

That includes 19 tapes with confidential Presidential conversations—an unprecedented turnover of confidential materials. Over 700 documents. And in addition to that, at the request of the committee, we have turned over from five different executive departments and two agencies several caseloads of documents covering items with everything from Cost of Living Council decisions with regard to the price of hamburger to oil and import quotas.

The question now of course arises is: Why not more? Because the committee, or at least the staff members of the committee and the chairman of the committee, have indicated that they would like 42 more tapes, they would like more documents, and in addition to that that they would like an index of every document in the White House over the past five years so that their staff can determine what other documents or other information they need in order to find out whether there is an impeachable offense.

Now first, being reasonable it seems to me would be that the committee

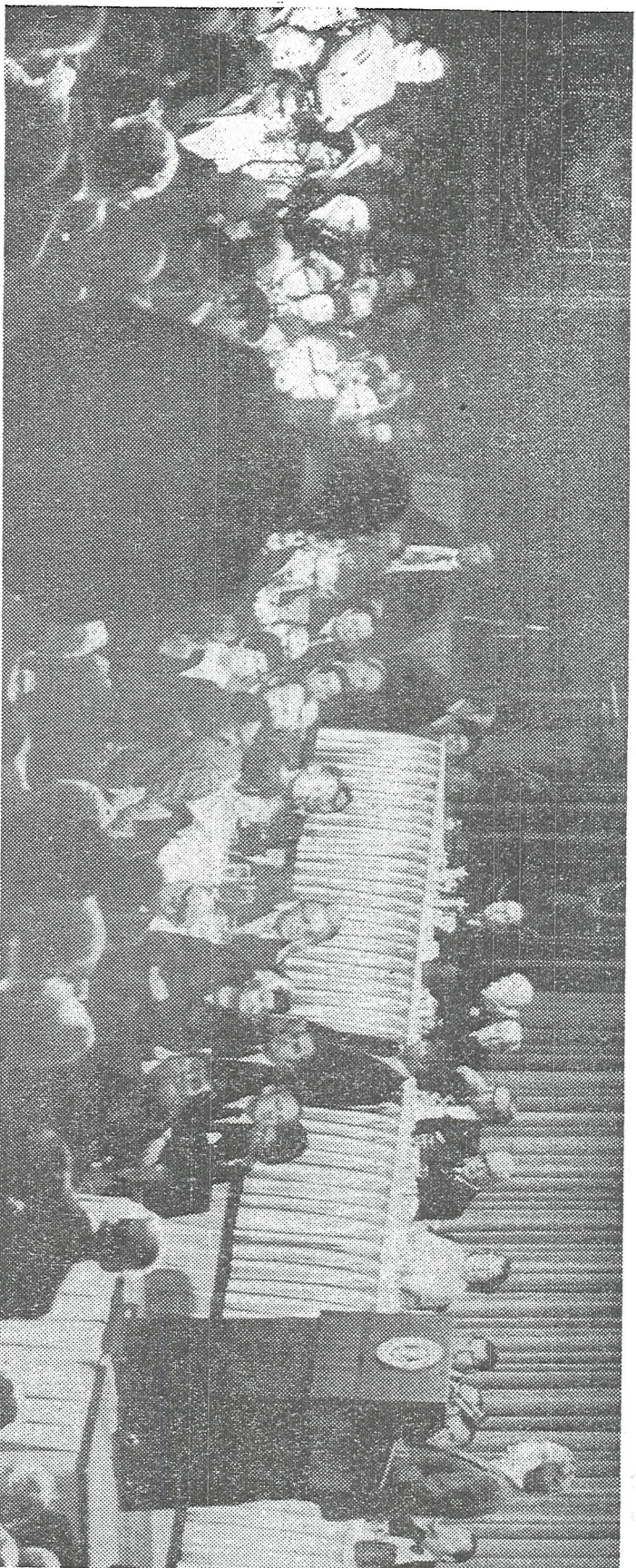
should first examine what it has, because Mr. Jaworski, the special prosecutor, said that he had what he considered to be the full story of Watergate—and we want the full story out.

It's been before the special prosecutor, it is now before the committee.

Second, with regard to additional requests. There are those who, I think very logically, would raise the question: well, why not just give the members of the Judiciary Committee the right to come in and have all the tapes of every Presidential conversation, a fishing license or a complete right to go in and go through all the Presidential files in order to find out whether or not there is a possibility that some action had been taken which might be and might result in an impeachable offense.

Comments at Executive Club of Chicago

SATURDAY MARCH 16, 1974



President Nixon responding to a question at the luncheon of the Executives Club in the Conrad Hilton Hotel in Chicago

Don Casper/The Chicago Tribune

'We Cannot Go That Far'

The reason why we cannot go that far, the reason why we have gone probably as far as we have and even in going that far have weakened the office of the Presidency is very simply this: It isn't the question that the President has something to hide. It is the fact that every President—Democrat and Republican, from the founding of this Republic—has recognized the necessity of protecting the confidentiality of Presidential conversations with his associates, with those who come to see him—be they Congressmen or Senators or people from various parts of the country to give advice—and if that confidentiality principle is completely destroyed, future Presidents will not have the benefit of the kind of advice that an executive needs to make the right decision. He will be surrounded by a group of eunuchs insofar as their

advice is concerned, always fearful that sometime in the future if they happen to have given an opinion which turned out to be wrong, that then they would be held responsible for it.

Wrong, I'm not referring to being illegal, but wrong in terms of whether or not it worked. In order to make the right decision you have to have opinion expressed very freely, discussed very freely from a completely wide range.

And it is that confidentiality that Presidents have fought for, that Jefferson fought for and other Presidents through the years.

As far as I'm concerned, I have cooperated with the Special Prosecutor, I will cooperate with the Rodino committee—not only by the turnover of documents that I have just referred to, but also with regard to agreeing to answer any written interrogatories that they have under oath, agreeing to an-

swer any questions that the chairman or ranking member might have after they have looked over everything that we have turned over.

But when you come to the point of simply saying to a committee of Congress, without regard to relevancy, before they determine what they say is an impeachable offense, just come in and paw through the documents, it would lead to two things:

One, it would delay the resolution of this matter for months, and for that matter perhaps years, in my opinion before they would get through it all. And as I said in my State of the Union address, I think one year of Watergate is enough.

But even more important than the delay is that if you erode the principle of confidentiality to the point that any advisor to a President or anybody who talks to a President has no assurance

whatever that what he says will be kept in confidence, he isn't going to get the kind of advice, the kind of criticism—and we get a lot of that when people come into the office, as well—that he needs to make the right decision.

And as far as I'm concerned, I will cooperate as fully as I possibly can to get a prompt and just resolution of this matter.

And second, however, I will do nothing to weaken the office of the Presidency, because we need a strong President at this time rather than a weak one.

3. Vote of Confidence

Q. Mr. President, do you see any possible future merit in the United States adopting some form of vote of confidence provision within its Presidential selection laws? A. I couldn't quite hear the question.

Q. A provision for a popular vote of confidence within its laws. A. You mean a national vote of confidence?

Q. Between elections a vote of confidence might be held at some future time, for the future.

A. There are those who have suggested that. As a matter of fact, you remember when President Truman was rather low in the polls, I think the year was around 1947 or '48, Senator Fulbright—a member of his party—suggested that he should resign and set up some sort of a coalition—Senator Fulbright, of course, having been educated in England, was thinking of the British system and thought that we ought to have it here.

Well now, I think the Founding Fathers made a very good decision when they rejected that and when they

indicated that a President was elected for four years and that he would be removed from office only as defined by the Constitution when found guilty by the Senate of the United States of high crimes including, to be quite specific, the crime of treason, bribery, or other high crimes and misdemeanors.

Now the reason that they rejected that was that they felt that there was a need for stability in the chief executive. They did not want the instability that would happen insofar as the so-called vote of confidence always hanging over the President.

Now I come to the other point: The reason why I think the Founding Fathers are right—or were right at that point—is that if a President is always watching the polls to see what he should or should not do, he will be a weak President and not a strong President.

Some of the best decisions ever made by Presidents were made when they were not too popular. And I can only say that as far as I'm concerned, I believe that the American system is a good one. In this time particularly it is essential that when our Presidents are elected by the people they're in for four years. At the end of four years the people have then the right to turn them out.

And, of course, we always have the safeguard of the Congress, the Congress can turn down proposals that a President may offer that they may disagree with. But I do not think that a vote of confidence coming up, with the people or the Congress for that matter, being able to throw a President out because he happens to be unpopular would be in the national interest, apart from the President's interest.

4. Federal Role in Economy

Q. Mr. President.

A. This the first time, incidentally, that a woman has ever asked a question—at least when I've been to the Executive Club.

Q. I'm the first lady, so to speak. Since it is now the objective of the United States to achieve self-sufficiency in the field of energy, do you foresee Federal encroachments into private business; and, secondly, in obtaining this goal, how much Federal money will be put into the economy annually?

A. Well, as far as the Federal role in energy is concerned, I think that I can say safely that it is minimal insofar as meeting the problem. Now when I say minimal, \$15-billion over the next three or four years to Bob Mayo [Robert Mayo, former Budget Director] or Dave Kennedy [David M. Kennedy, former Treasury Secretary] isn't going to sound like minimal, and that's what we plan to spend.

But in the next five years, while the Federal Government will be spending probably \$15-billion in order to get the —to reach — to help achieve the goal of self-sufficiency in energy, private industry, it is estimated, will spend at least \$500-billion in order for the United States to become self-sufficient in energy.

Let me, in word, point out how important that is to those who don't think simply of the short-term difficulties we have in our economy, but look down the long road into the future of America.

That future is good, it's going to be strong. Many people have often spoken of how much the Manhattan Project did to boost the economy of America, and it did help.

Others have spoken of how much the space program did to boost the economy of America, and it did help.

But they were both solely Government enterprises. The way American moves forward is not so much—as a matter of fact, it is not primarily due, and has never been primarily due to what Government does.

The way to get this country moving is to energize private industry, and that is why \$500-billion from private industry is the way for America to become self-sufficient.

5. Oil Companies and Shortage

Q. Mr. President, yesterday Mr. Meany somewhat formally charged that the oil shortage was a contrived shortage or at least, I think, he said "half contrived." Up to that time most communicators and most forms of communications had discussed the possibility and the man on the street had very freely said the oil companies created it. Does this administration believe that the oil companies exploited a situation and pushed the prices to unbelievable highs and really took advantage of the American people?

A. Well first, speaking of the unbelievably high prices, I was talking to somebody who had just taken an automobile trip from Paris down through Austria and then into Rome. He averaged \$1.35 for gasoline. We're not going to go that high I can assure you. The second point with regard to a so-called contrived energy crisis manipulated by the big oil companies.

Now let me just make one point very clear. Politically it would be very easy to just stand here and blame it all on the oil companies and they are certainly looking after their interests. But I would also say that as far as this Ad-

ministration is concerned this is not a contrived matter. The energy problem has been one that has led to our economic difficulties. It is one of the primary reasons we have an inflationary spiral at the present time. It's one of the primary reasons for the difficulty in automobile sales and for adding to the difficulties that we have in housing which of course began previously because of higher interest rates and other reasons.

But I would say in answer not to Mr. Meany but to many other people who probably don't have the facts or want to believe or do believe that you can blame the oil companies for something that has gone wrong, what I do want to say is this: There is an energy shortage in America. That energy shortage has been dealt with very effectively by this Administration. When it first reached the crisis point because of the Mideast oil embargo there were projections made—you probably saw some in your local newspapers as well as heard them on television and radio—that we would have 8 to 10 per cent unemployment. We haven't reached that. It's 5.2 per cent at this point and we, of course, hope to continue to fight that battle effectively.

The second point is that as far as the energy crisis is concerned, which we are moving through and we have, I believe, broken the back of it, although it will still be a continual nagging problem until we become self-sufficient, but the second point with regard to it is very simply this:

That the whole world has become more prosperous. The whole world demands more energy. And even if there had not been an oil embargo in the Mideast we would have an energy problem. I said that over a year and a half ago and I kept repeating it to the Congress. And the thing to do, rather than to blame the big oil companies and say they could do something about it, they could if they had the oil.

The thing to do is to develop the resources of this country so that we don't not depend on any foreign country for our energy.

The second thing to do, incidentally, and I would urge that Mr. Meany and all other people who want to do something about it, is to urge Congress to act on 17 different measures which I have submitted to them which will help to make the United States self-sufficient.

How are you going to do it? The way to do it is to increase supplies. We should deregulate natural gas which is the cleanest fuel, for example, that we have.

We should move on the environmental field to relax some of those inhibitions so that we can develop our coal resources and use our coal. We should do that because the United States is blessed with having approximately half the coal in the world and we're foolish not to develop it and we can eventually develop a clean fuel out of coal.

And third, we should move to develop those energy resources—I refer to shale oil; I refer to Elk Hills and others which exist in the United States in great abundance.

In the long term, of course, we must move forward with the development of nuclear power. It is disgraceful that the United States, that broke the secrets of

the atom and was first in that field, has been so far behind in developing nuclear power for peaceful uses, because it is clean fuel and it is safe fuel and we should move forward in that area as well.

There are others that I could mention but I can only say in conclusion this:

We would rather not have had the energy crisis. I would like to be in Mr. Meany's position and be able to blame the oil companies. What politician wouldn't like to put it off on somebody else. But I have to tell the truth.

The truth is there is an energy shortage. The way to deal with that shortage is not to demagogue about it but do something about it and it's time for the Congress to get off its something and do something about it right now.

6. Oil Supply and Embargo

Q. Mr. President, I'm a Republican State Senator in Illinois and I want to tell you before asking my question, sir, that in my district you're thought of belovedly by thousands of people and I think you need to hear that. A. Perhaps you should tell your United States Senator that.

Q. Mr. President, I don't think I'll reply to that. However I would like to ask my question now. In my Senate district in Will County there are portions of it that have had a tremendous difficulty in obtaining fuel—gasoline. And I'm wondering, Mr. President, now that the Arab embargo seems as though it's about ready to be lifted that whether by summer the people not only of my district but throughout the State of Illinois can look to having gasoline readily available.

A. Well first with regard to the embargo I think it is well for us to put that in perspective. We have had no official report from the meeting of Arab oil ministers with regard to what action is going to be taken with regard to lifting the embargo. There are, of course,

sources that have indicated that some action will be taken perhaps this weekend.

Second there are also indications that that action might be conditional—that they may raise the embargo but on the condition that they might reimpose it unless the United States came through in terms of working out a settlement of the political problems, the very difficult ones that exist in the Mideast, the disengagement on the Syrian front, the problem of Jerusalem, and all the others to which we are dedicated in working for a solution and where we are working toward.

I want one thing very clearly understood and then I'll come to the key point about your district and its gasoline shortage.

I want it understood that we want the embargo lifted. I also want it understood that as far as the United States is concerned, we want a permanent peace in the Mideast. We will work toward that end whether the embargo is lifted or not and we have made progress in that field.

And as far as those who incidentally support the state of Israel as I do, it is in Israel's interest to have the United States a friend of Israel's neighbors rather than an enemy of Israel's neighbors.

And for that reason we believe that permanent peace in the Middle East and working toward the disengagement and resolving this long crisis is in the interest of world peace because it also avoids that flash point of world conflict that might come where the two major powers—the United States and the Soviet Union—happen to be involved.

But the United States as far as the embargo is concerned is not going to be pressured by our friends in the Mideast or others who might be our opponents to doing something before we are able to do it.

And I would only suggest that insofar as any action on the embargo is taken, that if it has any implications of pres-

sure on the United States it would have a counter effect on our effort to go forward on the peace front, the negotiation front.

Because it would simply slow down, in my opinion, our very real and earnest effort to get the disengagement on the Syrian front and also to move toward a permanent settlement.

Looking toward the future, I would say first, we will be getting some more oil from the Mideast. We'll be getting it, probably, because some action may be taken on the embargo. It eventually will come because it's in their interest to do so. But further, even if no action is taken or if the action is conditional it is our belief that at this time, having passed through the winter and we were blessed by favorable weather in the winter, except for the last two or three days during the month of March here in Chicago and other places which were a little cold, but in any event having passed through this period we believe that the gasoline lines which have been very long have now shortened down; we have been able to make allocations—more allocations—move them from the distillates which were essential to keep our economy going so that we would not have increased unemployment, move those allocations to more gasoline.

And, as I told Mayor Daley driving in the car, Mr. Simon is watching the situation in Chicago very closely, in the Chicago area as well as other areas of the country. If shortages occur we believe we will be able to handle them so that there will not be an undue problem for your constituents.

And incidentally, let me be sure that no one misunderstood my remarks about Senator Percy, he obviously has the right that anybody has to be a candidate for the nomination of President of the United States. He has great ability, as I've often pointed out. I would only suggest that as far as what I can do about it, that in 1976, what I am concerned about is that whoever is the candidate on the Republican ticket that I want him to be able to run on a good platform.

In 1968 when I ran we had a war where 300 Americans were being killed every week. There were prisoners of war who hadn't come back for over five to six years. We had riots in our cities and burnings. We had disturbances on our campuses. The rate of crime was going up and we were moving into a highly inflationary period.

We hadn't had prosperity without war for over 10 years.

In 1976 it is my belief that if we hold to our course on the economy and if we continue to move forward on the world front that this is what Senator Percy or whoever gets the nomination will be able to run on:

1. A world at peace, with the United States at peace with every nation in the world and with the United States having played the role to move toward negotiation with the Soviet Union rather than confrontation, which would avoid what neither the Soviet Union nor the United States wants—nuclear self-destruction.

That the United States had been responsible for starting communication with the leaders of one-fourth of the

people of the world who live in the People's Republic of China—not a great military power at the present time but an enormously potential power in the future and if we don't move now, moving later could be disaster and impossible.

And third, I want this candidate, whoever he is to be able to run on a platform where we have prosperity in this country without war and with inflation cut down, with the rise in crime turned around as it has been over these past five years—it's finally beginning to come down, with the rise and use of drug addiction coming down as it has been in the past year after going up for the past 12 years before that and with the program in the field of welfare in which we finally make it more profit-

able to go to work than to go onto welfare in this country and a program in the field of health where every American will have the opportunity to get the best health care that is available in the world, but where we do it through the private medical profession rather than setting up a huge Government program which would have the doctors working for the Government rather than for the patient.

Now if we can accomplish some of those goals as well as some of the others I laid out in the State of the Union whoever the candidate is in '76, and I wish him well whoever it is, will have a good chance to win.

If we don't work out those problems it isn't going to make any difference who gets the nomination, a candidate from Mayor Daley's party will win.

7. Presidential Resignation

Q. Mr. President, forgetting all other considerations of whether the Watergate situation wasn't or is as publicized or not because it's still in the process of being litigated, do you not think that the entire incident has begun to affect the quality of life in this country, particularly the great deal of uncertainties that people have about it, and also has begun to affect the concept of ethics, particularly in our young people. And for these reasons alone would it not be better if you resigned at this time and allow yourself the public forum as a private citizen to answer all accusations on all parts.

A. Now ladies and gentlemen, that's a perfectly proper question and it has been raised not only by the gentleman who asked it but by several respected publications from this area as well as of other parts of the country and some members of the Congress as well.

Let me respond to it first by saying that of course Watergate has had a disturbing effect not only on young people but on other people. It was a wrong and very stupid to begin with. I have said that, and I believe it now. Second, as far as Watergate is concerned, it has been carried on, it has been I believe over-publicized and a lot of charges have been made that frankly have proved to be false.

I'm sure that many people in this audience have read at one time or other, either in your news magazines, possibly in a newspaper, certainly heard on television and radio such charges as this: That the President helped to plan the Watergate thing before and had knowledge it; that the President was informed of the cover-up on Sept. 15 of 1973; that the President was informed that payments were being made on March 13, and that a blackmail attempt was being made on the White House on March 13, rather than on March the 21st when I said was the first time those matters were brought to my attention. That the President had authorized the issuance of clemency or a promise of clemency to some of the defendants, and that the President had ordered the burglarizing—again, a very stupid act, apart from the fact that it's wrong and illegal—of Dr. Ellsberg's psychiatrist's office in California.

Now all of those charges have been made. Many Americans—perhaps a majority—believe them. They are all totally false and the investigation will prove it, whatever the Congress does—the tapes, etc.—when they all come out, will establish that they are false.

Learned of Blackmail

The President learned for the first time on March 31st—uh, uh, on March 21st of 1973—that a blackmail attempt was being made on the White House, not on March 13.

The President learned for the first time at that time that payments had been made to the defendants. And let me point out that payments had been made, but correcting what may have been a misapprehension, when I spoke to the press on March the 6th in Washington it was alleged that the payments that had been made to the defendants were made for the purpose of keeping them still.

However Mr. Ehrlichman, Mr. Halde- man, Mr. Mitchell had all denied that that was the case and they certainly should be allowed the right in court to establish their innocence or guilt without our concluding that that was the case.

But be that as it may, Watergate has hung over the country and it continues to hang over the country. It will continue to as the Judiciary Committee continues its investigation not of the voluminous documents only that we have already presented to the special prosecutor, not only of all the material they have from the Ervin committee that has conducted months of hearings and they have access of that, but in addition, scores of tapes and thousands of documents more which would mean that not just one year but two years or three years we're going to have this hanging over the country.

That's why I want a prompt and just conclusion and will cooperate, as I indicated in answer to the first question, with the committee consistent with my responsibility to defend the office of the Presidency, to get that prompt and just conclusion.

Now under these circumstances, because the impression has been created, as you have very well indicated, doubts, mistrust of the President—I recognize that—why doesn't the President resign? Because if the President resigns when he was not guilty of charges, then every President in the future could be forced out of office by simply leveling some

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charges and getting the media to carry them, and getting a few Congressmen and Senators who were on the other side to exploit them.

Why doesn't the President resign because his popularity is low? I already have referred to that question. Because if the time comes in this country when a President makes decisions based on where he stands in the polls rather than what is right or what is wrong, we'll have a very weak President.

The nation and the world needs a strong President. Now personally, I will say finally, from the personal standpoint resignation is an easy copout; resignation, of course, might satisfy some of my good friendly partisans who would rather not have the problem of Watergate bothering them.

On the other hand, apart from the personal standpoint, resignation of this President on charges of which he is not guilty, resignation simply because he happened to be low in the polls, would forever change our form of government. It would lead to weak and unstable Presidencies in the future and I will not be a party to the destruction of the Presidency of the United States of America.

8. Detente and Divergence

Q. Mr. President, you've often stated and you have so this afternoon that one of the objectives of your Administration is to achieve world peace through pursuance of a policy of detente. But some of us are concerned that in our pursuit of detente America's domestic and foreign positions are being eroded, it seems apparent to some of us that our definition of that term and the definition of the term as given by the Russians seems to diverge, particularly when we seem to be making all the compromises and they seem to be participating in a policy of arousing animosity and inciting nations. Could you comment on that?

A. With regard to the policy of detente, let us first understand that whether it is with the Soviet Union or the People's Republic of China, neither side, and I have met the top leaders of both, has any illusions about our vast differences as far as philosophy is concerned.

Second, the fact that we have negotiations rather than confrontation does not in any way imply that we approve of their internal policies, or for that matter, that they approve of ours.

Third, when we say that the policy of detente has been two for them, in effect, and one for us—that's, I think, short-ending what you said, but I think properly so. I think that what we must understand first what the policy of detente has accomplished.

The war in Vietnam has been brought to a conclusion.

It was not easy for the Soviet Union and other powers concerned not to move in there in order to avoid that war being brought to a conclusion which was honorable, but which kept the people of South Vietnam, 17 million, kept them from having a Communist government imposed upon them against their will. Second, the Mideast.

The United States and the Soviet Union had great differences in the Mideast. It is far better than when those differences reached a climax in October that I was in direct communication with Mr.

Brezhnev and that we did not allow those differences to bring us into what could have been a military confrontation disaster for the whole world.

Third, the limitation of nuclear arms. We have had SALT I and SALT II and we'll have SALT III in our meetings with the Soviet later this year.

That is far better than to have a runaway nuclear arms race. That's in their interest, yes, but it's certainly in our interest.

And finally, the alternative to detente. There are those who say because of the way the Russians treat their minorities we should break off our relations with them, we should not trade with them, we should deny them credits and then maybe they will change.

Well, first, they aren't going to change if we do that. It will have exactly the opposite effect.

But the second point is, if we go back to the old policy of confrontation, not negotiating to limit nuclear arms and other arms, possibly in the future, not negotiate with the hope of resolving differences at the conference table rather than on the battlefield, then what you have to do is to face the necessity for the United States to enter an arms race, and instead of an \$8-billion increase in the arms budget, you'd have \$100-billion increase in the arms budget, and eventually you confront what would be a massive crisis between the Soviet Union and the United States, in the Mideast, in Europe, possibly even in the Mediterranean as well as in the Caribbean area where our interests are in conflict.

I would simply conclude my answer with this.

Nobody I know will question my credentials with regard to the Soviet system and my disagreement with it. I would also say that however I have learned that it's much better to have your voice heard within the Kremlin than outside.

One of the problems that has concerned me, sir, has been the fact that many complaints have very properly been made with regard to the treatment of minorities in the Soviet Union and particularly those of the Jewish faith.

Let me tell you the figures.

Before we started talking to the Soviet in our period of negotiation 400 Soviet Jews a year got out; in the first year of our talks, 17,000 got out; last year, 35,000 got out. Now they still aren't doing what we would do or what we would want them to do, but it's far better to have the voice of the President of the United States heard from within the Kremlin than on the outside, because those walls are mighty thick, I can tell you. So therefore, let's continue to talk to them so we won't have to fight them.

9. Impeachable Offenses

Q. Mr. President, there is a debate over the definition of an impeachable offense. Should this question be determined by Congress or the Judiciary?

A. Well, I think it's determined by the Constitution. And I think the Constitution very clearly, as Mr. St. Clair, our very able to counsel pointed out in his brief to the Judiciary Committee, the Constitution in this case defines an impeachable offense, as I indicated earlier, as being treason, bribery or other high crimes or misdemeanors.

Now this President is not guilty of

any of those crimes and as far as the Congress is concerned, it would seem to me that particularly members of the Judiciary Committee—all schooled in the law—would want to follow the Constitution rather than to broaden that definition to include something that the Constitution framers did not have in mind.

10. Inflation and Control

Q. Mr. President, I'm very tired of Watergate, too, and am far more concerned with one of the worst problems facing us today—inflation. And while we have a much lower rate of inflation in this country than the rest of the world, what can the Government or the average American person do to alleviate it?

A. The problem of inflation is, as you say, one that plagues us but plagues the rest of the world even more. The British now have escalated enormously because of the coal strike settlement. The Japanese are in a very high inflationary period, much higher than ours. The Germans have had such a high one that they now have begun moving on an anti-inflationary policy.

We can take very little comfort, I think, in the fact that inflation is lower here than in most industrial countries of the world. That doesn't help, for example, the housewife or the man—and sometimes he goes to the supermarket too, when he goes there and finds the prices going up and up and up.

These are the things that I would suggest, however, in terms of dealing with that problem. Approximately 60 per cent of the rise in prices which occurred over the past six months was either energy-related or related to food.

Now the inflationary tide has still not subsided. It will probably continue through the balance of the second quarter. In the latter part of the year we believe it will go down. It will go down provided we are responsible in our government spending programs and that the Congress does not go on a wild spending spree. It'll go down, second, because the energy crisis having been reduced to a problem we'll have less pressure upwards in that particular area.

And it will go down, too, because the prospects insofar as food production appear to be very good at the present time, although this is one that is extremely difficult to project.

I would like to tell you that the number will be 4 per cent, 5 per cent, 3 per cent, 8 per cent by the end of the year. I do not know. My economic advisers don't even know, and they used to know everything.

So all that I can say is this: we're in this fight with regard to inflation to win it, and we believe that with proper fiscal policies and with increasing production in the energy field, increasing production on the food front, that that is the way to bring down the prices and to take the pressure off of the prices.

11. Testifying for Colleagues

Q. Mr. President, intense two-way loyalty has been a hallmark of your public life and your Administration. If it can be shown to you conclusively that your in-person testimony on behalf of your former colleagues is vital to their defense, would you not consider stepping forward and taking the witness stand?

A. I believe that for the President of the United States to appear in a court of law—any court—for the purpose of testifying would be setting a precedent that would be most unfortunate.

I believe that any information that I have has been made available which could affect the guilt or innocence of the individuals involved, and I think the appearance of the President of the United States in any one of these cases would be a precedent which we would regret later.

12. Data on Taxes

Q. Mr. President, through the courtesy of the media we have been made aware of your income, your tax deductions and your tax liabilities. As an ordinary citizen, how can we go about getting the same pertinent, candid information from the members of the House of Representatives, the members of the Senate—particularly our two streaking Senators?

A. I have enough trouble with the Senate and the House without asking them to submit to the same kind of investigation that I've been submitting to.

But, second, sir, with regard to your questions on income tax, let me be quite direct. Questions were raised with regard to whether or not I had paid or reported the amount of taxes that I should have. I voluntarily asked the Joint Committee on Taxation of the House and Senate to consider this matter. It has been considering it.

And as Chairman Long and the ranking minority member of the Senate Finance Committee have indicated, there's been no evidence of fraud on the part of the President. There may be evidence that he may owe more taxes, due, primarily, apparently, to the debatable technical point as to whether a gift of three-quarters of a million dollars worth of Presidential papers, which was delivered three months before the deadline, whether the paperwork on it was completed in time to qualify for the deduction.

If it was completed in time, as I understand it, I get the deduction. If it was not completed in time, I don't get the deduction. I pay the tax and the Government gets to keep the papers.

Well, under the circumstances that's hard for me to realize, but the President, when the I.R.S. is concerned, I assure you, is just another citizen and even more so. And that's perfectly proper. Yes, sir?

13. Communist Influence in U.N.

Q. Mr. President, we're hearing increasing and persistent objections to the Communist influence on the United Nations and certain of its agencies. My question relates to UNICEF. What are we doing to keep our contributions to UNICEF from Communist control, and by whose authority do branches of the U.S. Post Office assist in the sale and distribution of cards for UNICEF?

A. Well, sir, that's a matter I'll have to look into. It's enough to have the problems of the United States to solve without looking into the United Nations, I can assure you.

But, speaking quite directly, it is quite true that the Soviet Union, being a major nation, has great influence within certain bodies within the U.N.

And I think the only recourse for the United States, rather than getting out of the U.N. and leaving the whole game

to them, is to stay in and attempt to see to it that our influence counterbalances theirs whenever we think theirs is wrong. That would be my response at this point.

14. Deterioration of Position

Q. Mr. President, regarding your comment that we must continue to move forward on the world front, The Wall Street Journal and The Chicago Sun Times today both carry articles about mounting evidence that our foreign policy position with the Soviets, the Arabs and our former European partners is now deteriorating. They say that the temporary suspension of the oil embargo is likely to be an on-again, off-again Soviet-Arab policy and that our declining influence abroad will lead to many problems at home and abroad including continued rising prices for gasoline and many other basic necessities of life here at home. Would you please give us your comments?

A. Well it's rather hard to respond to both of these publications in the small time that I have.

Let me say first, early this year predictions were made that there would be a world-wide recession, if you recall. That was one of the reasons that people projected an 8 to 10 per cent unemployment in the United States at this time, which has not occurred.

There will be, apparently no world-wide recession and second, there will be no recession in the United States. The difficulties are going to continue for a time but in the second half of this year we expect to see the economy moving up, unemployment moving down and inflation abating.

As far as the entire situation world-wide is concerned, however, your question allows me to make a statement with regard not only to the Soviet Union but also with regard to Europe which should be more on the front burner than it is because of the enormous importance of the European-American alliance to stability in the world.

I've already responded in regard to the Soviet Union and the People's Republic of China. We have difficulties; we have differences, but it's far better to be talking about them than fighting about them and we will continue that policy.

Second, with regard to the Mideast—the Mideast has had four wars in a generation. That's just four too many in an area that's very poor and one that needs peace and needs it desperately.

And at the present time the influence of the United States in the Mideast, the fact that we have restored relations with Egypt, that we're moving in all of the area of the Mideast toward creating a permanent peace is going to be one of the major legacies of this Administration, I would hope.

Third, with regard to Europe—the problem there is complicated by the fact that our European friends and we had agreed somewhat earlier that we would try on the 25th anniversary of NATO which occurs in April, that we would try to reach common declarations on the security front with regard to the Atlantic Alliance, and also on the economic and political fronts where the United States has to deal with what is called the Nine, or the European Common Market countries.

Now the progress in developing decla-

rations on the security front has gone forward on schedule. However, I regret to report, as I have written to Chancellor Brandt, the present chairman of the Nine, I regret to report that on the economic and political fronts the progress has not gone forward and we face the situation that, therefore, if the heads of government were to meet at this time—for example, in the month of April—we would simply be papering over difficulties and not resolving them.

But to just conclude the question with an observation for our European friends and for us, let me say first, the European-American alliance is important to the peace of the world as well as to ourself.

The second point is, as far as security is concerned, the United States is indispensable to the security of Europe—not only our presence in Europe, but also the fact of our nuclear strength.

Now the Europeans cannot have it both ways. They cannot have the United States participation and cooperation on the security front and then proceed to have confrontation and even hostility on the economic and political fronts, and until the Europeans are willing to sit down and cooperate on the economic and political fronts as well as on the security front, no meeting of heads of government should be scheduled.

I believe we will work out the cooperation, but I think it's very well for all nations in the world to understand that the day of the one-way street is gone. The United States has been very generous to its allies and friends and to its former enemies. We will continue to be as generous as we can, but whether it's in the field of trade or whether it's in any other field, it is essential that we get what I would say is a fair break for our producers, just as we try to give a fair break to their producers.

And we cannot have in Europe, for example, confrontation on the economic and political fronts and cooperation on the security front. I do not mean to leave this question with the impression that the European and American alliance is shattered. It is not. I do indicate, however, that it is the time when the Europeans as well as we must sit down and determine that we are either going to go along together on both the security and the economic and political fronts or we will go separately, because I can say one thing: I have had great difficulty in getting the Congress to continue to support American forces in Europe at the level that we need to keep them there. In the event the Congress gets the idea that we are going to be faced with economic confrontation and hostility from the Nine, you will find it almost impossible to get Congressional support for continued American presence at present levels on the security front.

Now, we do not want this to happen, and that is why I have urged my friends in Europe—our friends in Europe—to consider this proposition. It doesn't mean that we are not going to have competition, but it does mean that we are not going to be faced with a situation where the Nine countries of Europe gang up against the United States—the United States which is their guarantee for their security. That we cannot have.

Q. Thank you, Mr. President.