

Excerpts From President Ford's

Special to The New York Times

WASHINGTON, July 24—Following are excerpts from an hour-long interview with President Ford yesterday, as transcribed by the White House. The President was questioned by Clifton Daniel, Washington bureau chief of The New York Times, and Bernard Gwertzman, Marjorie Hunter, James M. Naughton and Philip Shabecoff, New York Times reporters.

QUESTION: When you entered this office, I am sure you must have set some goals for yourself and undoubtedly you are looking back now to see how those goals were achieved. What do you think has been your greatest achievement in the year you have been in office?

THE PRESIDENT: Really, I think there are three of them. One is the tremendous job of restoring confidence in the White House and the executive branch of the Government. All of you know the situation that we had, and I believe that was the goal, and I think we have substantially achieved that.

We run the White House differently and the net result is, I think, there is a restoration of confidence not only among the American people but the press and others who have a daily contact with the White House.

Number two, when I took over we had some serious international problems, such as Vietnam—South Vietnam and Cambodia. That problem wasn't resolved the way I wanted it, but at least we came out of it with the best solution possible under the most difficult circumstances.

In the international field, there were some legitimate questions as far as our allies, for example, in Western Europe were concerned. There had been a tendency on the part of the congress to have reservations about our support for the alliance [NATO] and the leaders of those countries either didn't know me or know much about me.

I think the meeting in Brussels has restored their confidence in the President, the person they have to deal with, and there has been a different attitude on the part of the Congress in reference to the support for the alliance.

Disappointment in March

We have had the continuing problem that has existed in the Middle East, but I think we have handled that problem with wisdom and skill in trying to proceed with an interim or step-by-step achievement, but we had a disappointment in March. On the other hand, we are continuing, and I think with confidence on the part of both Israel and Egypt that our role is a constructive one.

On the other hand, we are prepared, if necessary, which I hope is not required, to move into a broader solution to the problem in the Middle East.

Turning to the domestic situation, I don't believe any President since the end of World War II has faced any more serious economic problems. Certainly no President held office when we had 12 to 14 per cent inflation in the postwar era, and no President since the end of World War II has had 8 to 9 per cent unemployment.

We have gone through a rapidly developing recession. We have kept our cool. We had a steady and I think a constructive course, and the net result is we have ended up with substantial progress on inflation, and from all indications we are slowly starting up in the economic climb that is needed and necessary. Those are the problems.

YORK TIMES, FRIDAY, JULY 25

Interview Assessing First

Year in Office

These are the ways we have tried to manage them, and I think by any standard we have made progress in those three very important areas.

QUESTION: We will come back to some specific questions in several of those areas a little later. Meanwhile, you said that the South Vietnamese question and the Cambodian question had not been settled entirely to your satisfaction. Was that your greatest disappointment in the first year, or was there another greater one?

THE PRESIDENT: I would say that that was a great a disappointment, with the possible exception of the breakdown in negotiations in the Middle East that took place in March. I felt in both of those cases we could achieve a different solution. I felt that in the case of Vietnam and Cambodia if we had had the opportunity to make military assistance available there might have been another solution in Vietnam, and I think if we had had a little more flexibility in the Middle East with Israel and Egypt, I think we could have achieved success there.

I would say both of those would rank about-equally in international disappointments.

QUESTION: Could I follow up on both of those questions? What do you think we should do in Indochina now, now that the Communists have taken over? Should we just wash our hands of it or should we try to get our presence back in those countries?

THE PRESIDENT: At the moment, with the attitude of the North Vietnamese and the South Vietnamese, and I include here the Cambodians, I don't think we should try to establish a presence.

QUESTION: Do you think it would be just counter-productive for us?

THE PRESIDENT: In the light of the attitude of the North Vietnamese vis-a-vis the Paris Accords of January 1973, with their repeated violations and no disposition on their part to have any regrets or make any changes; I see no possibility under current circumstances for us to establish any presence there.

In South Vietnam, which I think we have to recognize is dominated by the North Vietnamese, I can see no "give" on their part.

One question, for example—and it is a terribly frustrating one—is the fact that despite the Paris Accords we have not been given any access to information concerning M.I.A.'s [Americans missing in action] in total violation of the Paris Accords. Well, if they can't give something they have agreed to, which would be the best example of humaneness, I just don't see any possibility for an American

presence in North or South Vietnam under current circumstances.

Cites Report of Massacre

Under current circumstances, Cambodia—I don't want to go back and rehash old problems but there were many allegations about the Lon Nol Government. I think by any standards, from what I read—and I think I saw something in The Times the other day about the massacre of simple civilians—I don't see anything there that would justify our presence.

QUESTION: Shortly before you became President, you said—

THE PRESIDENT: Do you remember all of those good trips we used to have and that fancy equipment?

QUESTION: That is right. You said what this nation needed was a bold domestic diplomacy. Why haven't you sought one?

THE PRESIDENT: Well, I think it depends on how you define the term. At the suggestion of the Congress shortly after I took over, I organized and we carried out an economic summit which, bearing in mind the economic problems we had at that time, was a rather bold approach and never had been done before. It did end up with a program to attack the then most pressing problem, which was inflation.

I always like to write a little postscript that none of the economists who participated told us, whether they were on the left or middle or right, that we were going to have the precipitous drop, or precipitous increase in unemployment, and the tremendous difference in our economic relations here at home.

So having done what the Congress requested, which I did in good faith and I think did have some good points to it—it highlighted and focused on the problem of inflation—when we saw the changed circumstances that nobody foresaw, we had to adjust and find some other answers. And what we have tried to do is to ameliorate the unemployment and the personal hardship and still keep a responsible course in meeting the problems of unemployment.

Now the latter may be isn't at dramatic as the first, but it is the best answer, I think, Marjorie, to the very closely intertwined and very critical problems that have to be approached down a very narrow path.

We could turn the spigot on tomorrow and spend a lot of money and hopefully get the Federal Reserve Board to increase not by 5 to 7½ per cent expansion money, but 20 per cent, and in a relatively short period of time, I presume we could substantially lower the unemployment rate. But we would be right back up to 12 to 14 or higher per cent inflation, and then the next dip would be infinitely more severe.

CORRECTIONS

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In early editions of The New York Times yesterday, because of typographical errors, some Representatives' votes in the House roll-call on arms sales to Turkey were listed incorrectly. A corrective article appears on Page 7.

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In the transcript of an interview with President Ford that appeared in The Times yesterday, the President was quoted incorrectly as saying that there were "no overt operations" in his office. Mr. Ford said that there were "no covert operations."

●QUESTION: Along that same line, you may remember out in California that a reporter, a California reporter, said that you had been associating largely with "checkbook Republicans" and airport cops. Have you given any thought since then as President to making any trips to actually see firsthand the extent of social problems such as the desperately poor, the elderly trying to shop with food stamps, the elderly living in substandard nursing homes, and so forth?

THE PRESIDENT: I have met with representative groups of the older Americans, 15 or 20 of the people who represent those groups among our older citizens—and there are about that many organizations.

Meetings on Social Problems

I have met with the representatives of a number of the social agencies that have a direct contact with some of the disadvantaged and the underprivileged. I have met with religious groups who have a deep concern in these areas, as you know.

I think I have met with the people who can very emphatically explain and dramatize the problems of the groups that you are talking to.

●QUESTION: Is it the same as face-to-face observation?

THE PRESIDENT: Well, let me say this: For a good part of my career in politics I saw firsthand by visits to areas such as that, so I don't have to go through the process again of seeing tenements, of seeing people on welfare or the like. I know from firsthand experience.

I think it is more important to meet the representatives of those people today who can tell me what they think ought to be done to meet the problems that I have had personal experience with.

●QUESTION: Mr. President, just to follow through on that, some of your critics have said that you are a very kind man personally, but that when it comes to abstract economic decisions that affect millions of Americans you don't show any compassion, and they cite such things as your effort to raise the price of food stamps, your veto of the jobs bill and your desire to cut the raise in Social Security and Federal pay.

How do you answer these critics?

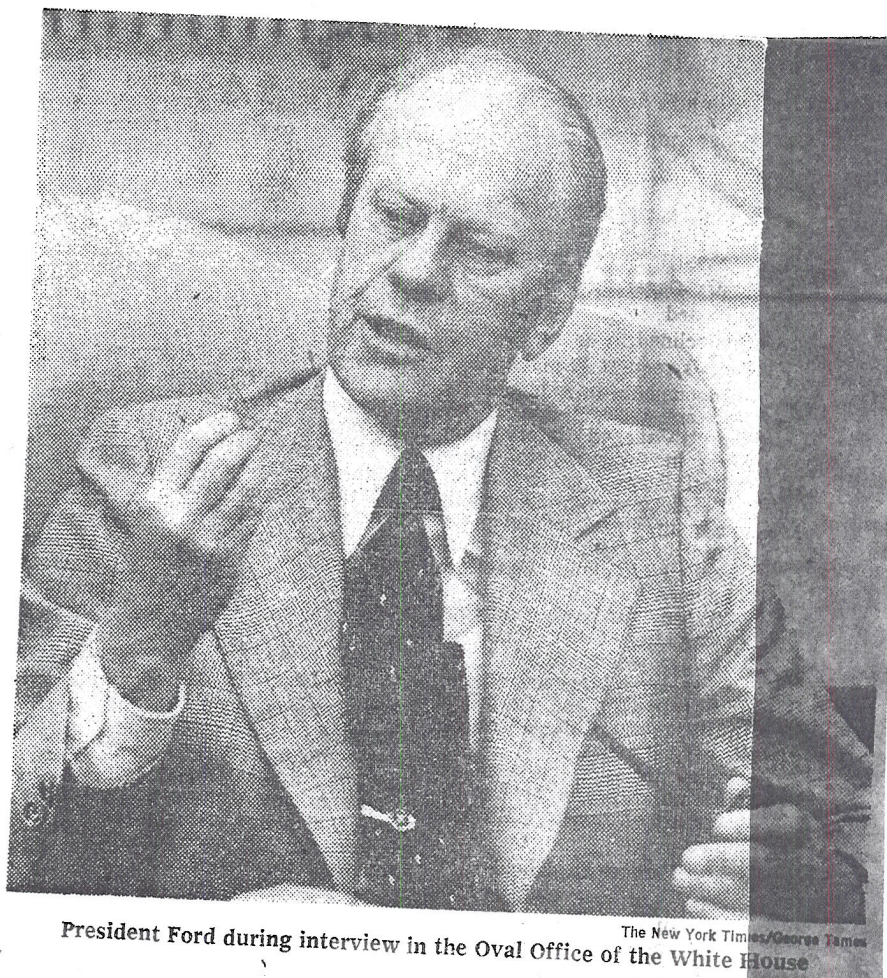
THE PRESIDENT: You know, Phil, we have gone through a long process, at least during my time in the Congress, where we have come up with short-range solutions that have serious long-range liabilities, and they look good right now but they only complicate the problems down the road.

I think the time has come in this country to make sure we have a long-range solution so we don't go through these peaks and valleys and up and down escalations, which by any standards don't help the less well off.

●QUESTION: Mr. President, you have directed the Domestic Council to study this whole area with a view toward providing you with policy options and social programs. What kind of an approach, a general over-all approach, would those options aim toward?

THE PRESIDENT: What we hope to do in the months ahead is to have some hearings around the country under the auspices of the Domestic Council where we can gather firsthand the recommendations of people in the field, not just their spokesmen here in Washington, and from those recommendations see if we can't find an answer to the present welfare program in all of its add-ons and ramifications.

Some time in 1976 the probability is that we will make some recommendations, but I wouldn't want to identify



President Ford during interview in the Oval Office of the White House

The New York Times/George Tames

just what our recommendations will be.

You probably read what Secretary Weinberger [of the Department of Health, Education and Welfare] said. It is no secret. Last year, in November or December, they presented a proposal to me which would have consolidated all of the welfare programs—straight welfare, A.D.C. food stamps and whatever the others are that fall into the category, the broad category—and they recommended an outright cash payment.

Opposed Extra Expenditures

It didn't seem to me at that time, bearing in mind the immediate budgetary problems, that that was something we should embark on because although they contended in the long run it would save money and make a better welfare program, if that is the right title, it would have added in the first year or two substantially extra expenditures from the Federal Government.

As an alternative to that I recommended that they take the present programs in their entirety and see if there wasn't some way we could tighten up on those and help meet our present or immediate fiscal crises. Well, we have tried to do that. We weren't very successful in the budget but we certainly tried.

I think the experience of the variety of programs that have just multiplied and the fiscal growth of the problems, and I think the uneven distribution, with too much going to people who don't deserve it and too little to the people who do deserve it, justifies us in trying to do what I explained with these hearings around, and coming up with something new. But I again don't want to identify it because that would prejudice their honest efforts.

●QUESTION: You are a man of Congress, and when you came into office, into this office, you said that you wanted to have a good marriage with the Congress. It seems now that there is a separation or even a divorce impending, particularly on the energy question.

Why is it that you and the Congress can't agree on what is best in the energy problem?

THE PRESIDENT: One of the basic problems, as most members of Congress who are knowledgeable would agree, is that a President or an Administration can pull everything together in one place and put a comprehensive program together and submit it as a package. With a problem as broad-based and diverse as energy, with many things that have to be done on taxation, conservation and a whole variety of things, controls to some extent—when you send the package up, it goes to about six or eight committees up there on each side of the Hill.

I have met with the leaders, Democratic and Republican, and they recognize that this is almost an insoluble problem. They can't get any committee in both bodies that has jurisdiction to tackle the problem as broad-based as this. Each committee has its historical jurisdiction and doesn't want to give it up to another committee. That is one of the fundamental problems we find in trying to come to an agreement in this area.

The other, or another problem, is there are parochial regional differences. The people in Texas and Louisiana, Democrats or Republicans, have one philosophy. It doesn't bear a Democratic or Republican label.

Then you go up to New England. I got castigated on one of the TV shows the other night by one of my good friends, Sil Conte [Republican Representative of Massachusetts]. That is a parochial geographical problem.

Committee and Regional Problems

So you have committee problems, you have regional problems, plus a number of other problems, but those are ones that affect the Congress.

So to try and get agreement, you don't know who to deal with and if you deal with one group on one problem you have to deal with another group on another problem.

●QUESTION: Aside from the energy, though, there have been a number of vetoes on economic issues. Just how willing have you been to negotiate with the Congressional Democratic leaders, and have you negotiated?

THE PRESIDENT: Well, let us take the Turkish aid program. I worked very closely with [Senators] Mike Mansfield, Bob Byrd, Hugh Scott and Bob Griffin, and we got a removal of the Turkish aid embargo.

I have worked very closely with the House Committee on International Relations with Doc Morgan, with Wayne Hayes, with Lee Hamilton and with Dante Pascell, and we even tried to work with John Brademas and Paul Sarbanes and Ben Rosenthal.

In this case we have had three breakfast meetings, the last being this morn-

ing, where I am supporting a bill that they brought out as a compromise, even though I would prefer what the Senate did. So in this case we have sought to work together.

In the case of the jobs bill, after I vetoed the bill where they added \$3-billion over my \$1.9-billion, we accepted an increase of roughly \$400-million. That was a compromise. They accepted it and the program is now law. I think we could go down the list on others.

The housing bill is another. They loaded up a housing bill and we vetoed it and it was compromised, and I think we have come out with a workable housing bill.

QUESTION: Mr. President, most economists now, I think, agree that inflationary pressure is caused by higher costs, especially for food and foreign energy. Why, then, are you always attacking Congress for higher spending while at the same time initiating or countenancing programs, such as your oil decontrol and the Russian wheat deal, that drive costs higher?

THE PRESIDENT: Well, let me take each of those individually. Everybody who has studied the problem of energy knows that conservation is a mandatory part of any energy program. The price mechanism is one way to try and get people to conserve.

Now some people advocated in the price mechanism an increase in gasoline taxes of 20 cents a gallon or more. That is a cost increase, but that kind of cost increase, although it would obviously achieve conservation, would not stimulate production.

Furthermore, as a practical matter we all know now that Congress isn't going to enact that kind of a piece of legislation, but that is beside the point. People in Congress, Democrats and Republicans, recognize that a higher price stimulates conservation and conservation is mandatory to make an energy program work.

Opportunity to Get Better Price

Now, most people know, who are openminded about it, that you aren't going to get old oil or you aren't going to stimulate additional drilling and production in old oil if it is \$5.25 a barrel. They just aren't going to do it. You wouldn't, I wouldn't, so you have to give them an opportunity to get a better price if you are going to get them to invest their money and get more old oil, and that is two-fifths of our total oil availability, foreign and domestic.

Here is the key: Under the program that we have advocated, yes, there are higher prices for energy. We recommended as far back as January a \$16.5-billion rebate or payback to energy users. Now the Congress has forgotten that point.

Now, I think this is an equitable program and I still am an optimist that in the final analysis you will come pretty close, after a hard torturous struggle, in getting something similar to my program.

To turn to the wheat deal, first there is no comparison today with the circumstances in 1972. In 1972 there were massive purchases when wheat was roughly \$1.87 or \$1.90 a bushel, and it was a surprise move and the Soviet Union benefited significantly.

Today, wheat is about \$3.60 per bushel, and they are buying on the open market, and we have a tremendous wheat crop. The wheat crop is 2.1 billion. Ninety per cent of it is in and we have it in hand, and based on the present purchases there is not going to be any significant increase in the cost of living as a result.

The benefits that flow from the sales are also very important. There is the balance of payments — it helps us pay our oil costs. It does give us an opportunity to use our good supplies for humanitarian purposes around the world.

I think we are just blessed. We have all of this wheat and all of this corn and all of the feed grains, and we are able to use it for the balance of payments, for humanitarian reasons and for other purposes, and I see no significant increase in the cost of living.

QUESTION: Mr. President, looking at the past and your first year in office, you have opened up the White House to a considerable extent compared with your predecessor's practice. Was the Solzhenitsyn case an aberration, or was that just a mistake in judgment, or did you really feel the Secretary [of State Kissinger] was correct in suggesting that it would symbolize some sort of danger?

THE PRESIDENT: I think there is a combination of things. One, I don't think we handled it the best in the White House. There is no use denying that, and it is just one of those things.

On the other hand, there were conflicting views in the White House on my staff. I would still like to see Mr.

... a certain limitation ... that would ... President following ... that year in office ... to speak ... summit conference of ... in Helsinki, in which there ... to be a new security doctrine ... signed. Mr. Solzhenitsyn says that is ... betrayal of Eastern Europe, a point ... view with which you obviously don't agree.

What do you see as the significance of the conference and the agreement?

THE PRESIDENT: Well, there are some that have already taken place, some that I think will materialize from it, plus what will be in the documents.

In the first instance, before the conference negotiations ever were undertaken, there had to be an agreement by the Soviet Union vis-a-vis Berlin, which two or three years ago was really festering again and none of the Western European countries or ourselves would even participate until and unless there was an agreement on Berlin. So that is a fact accomplished which unfortunately is forgotten because it took place several years ago.

'Possibility of Results'

Number two, they were initiated simultaneously and they haven't moved along the same track, but they were initiated simultaneously and one is the M.B.F.R. [Mutual and Balanced Force Reductions]. At the moment, there isn't any significant move. But once the C.S.C.E. [Conference on Security and Cooperation in Europe] agreed to, we can concentrate on—and I think we will—and have a possibility of getting some results there. That is something in the future, but it never would have been started if there hadn't been the initiation of the C.S.C.E.

Let us get down to the terms of C.S.C.E. It is a complicated, thick volume and unfortunately I don't think all of the terms are as well-known as they should be. We and our allies in Western Europe obviously would have preferred some things not to be in the document.

On the other hand, there are some things in the document which we wanted, and when I say "we" I mean in the broadest sense, and which the Soviet Union and its allies didn't want in.

Now, there is a recognition of sovereignty and an agreement of nonuse of force. There is a whole shopping list here of things which are synopses that can read them condensed because I think we have got to get the story out that there are some benefits.

There are some standings, and I think they ought to be cleared up, and they are going to be cleared up.

One is that this is a treaty. It is not a treaty, so its signature by the 35 nations does not freeze by law the borders. It does provide, on the other hand, there can be peaceful revisions of national borders. So long as people understand this is not a legal document, I think there is a better understanding of the over-all.

QUESTION: Have you found the SALT negotiations [Strategic Arms Limitations talks tougher than you thought after Vladivostok? Is it tougher to get the verification agreed to than you thought in November? Is it possible that there won't be a summit conference this fall?

THE PRESIDENT: There are some tougher problems in detail than I anticipated, and we have Alexis Johnson and his associates working very hard with their Soviet counterparts. I believe that progress has been made on some of those tough details.

We are not ready to sign and there will have to be some additional adjustments, but I think it is possible. And it is not certain that we will have a SALT II agreement.

QUESTION: Would there be a summit without a SALT II agreement? Is the summit definite?

THE PRESIDENT: I would say—let me put it this way—if it doesn't appear we are going to have a SALT II the prospects of a summit are considerably lessened. If it appears the range of differences is small and that at a final meeting between Mr. Brezhnev and myself there could be some additional "give," yes, a summit is very probable. Let us put it that way.

QUESTION: We have heard that there is documentary evidence from Mr. Helms that has been presented to the Senate committee to the effect that Dr. Kissinger in 1969 and 1970, in his role as chairman of the 40 committee [on national security], participated in planning for the overthrow of the Allende Government. Do you know anything about that? Is it true?

THE PRESIDENT: Dr. Kissinger was a member of the 40 committee but I don't think I should comment on the evidence. It will be developed by the Church committee and maybe the House committee. But Dr. Kissinger was and is a member of the 40 committee and those recommendations, whatever they were, were submitted to the then President and of course were in the final analysis decided by him.

QUESTION: Mr. President, in the light of the Rockefeller commission's judgment about Ambassador Helms's role in the domestic spying controversy, why do you continue to express full faith and confidence in Ambassador Helms?

THE PRESIDENT: In the first place, I think he is doing a fine job in Iran and it is a very important post. There has been no firm conclusion and I don't think there will be any until we get whatever the Church committee decides and maybe the Pike committee, they are now calling it. Until I see any more evidence than I have seen now, I certainly believe that Dick Helms under most difficult circumstances deserves my support, particularly since he is doing, I think, a good job in his present ambassadorial post.

● QUESTION: Mr. President, time is running short and we want to take up one question which we haven't touched on at all, and that is the future. When you took this job you seemed reluctant to take it and you indicated that you wouldn't seek elec-

THE PRESIDENT: Well, you get varying interpretations of polls that are taken on that subject, and you get some difference of opinion of those

who analyzed the 1968 election. Most people agree it didn't hurt the Democrats more. There is a difference of opinion that it hurt both the Republican and Democratic nominee equally, and then you get some who allege that it hurt the Republican candidate more.

'76 Analysis Deemed Premature

I am not sure that you can equate a 1976 campaign with a 1968 or a 1972 campaign. The circumstances may be quite different in 1976 so I think it is premature to make any firm analysis.

● QUESTION: A Lot of Democrats who are hopefuls for the nomination have divorced themselves philosophically from Governor Wallace. What is your personal view about the Governor's campaign philosophy, approach, and is there a dime's worth of difference between you and him?

THE PRESIDENT: I think we have a good many similarities. We do have apparently some significant differences on foreign policy, but I am not running in the Democratic primaries or seeking nomination on that ticket so I think it is inappropriate for me to get in a brawl with a Democrat who is being attacked pretty vigorously by a good many Democrats. I think that is a party matter that they ought to solve and try to resolve.

● QUESTION: Could I ask you a couple of quickees here? Last year you read "Twilight of the Presidency," as you know.

THE PRESIDENT: You gave it to me to read.

● QUESTION: I know it. Do you feel that you have avoided the pitfalls of previous Presidents or do you think there are still too many royal trappings around, or are you isolated?

THE PRESIDENT: We have tried to avoid them, Marjorie, and I know we have avoided most of them, if not all of them. I don't think I have changed any in my appearance or my actions or my attitudes.

● QUESTION: Does the system change you, though?

THE PRESIDENT: You obviously have a lot of conveniences you don't otherwise, but I don't think that that has changed me any, Marjorie.

● QUESTION: Are you happy in the job?

THE PRESIDENT: I am very happy. I enjoy getting up every morning and thinking of all of the problems we have to work on, and I don't hurry away at night, because I want to finish what we had on the agenda.

● QUESTION: You don't have nostalgia for Crown View Drive?

THE PRESIDENT: That was a wonderful place to live, but this is comfortable, too.

● QUESTION: So, do you have any sympathy now for past Presidents that you criticized so severely when you were in Congress, such as Lyndon Johnson and the credibility gap?

THE PRESIDENT: I have a little different perspective.

● QUESTION: Well, Mr. President, I think we have used up your time and you have been very generous with it. We appreciate very much your seeing us and it is always a pleasure to come here. You certainly look relaxed to me.

THE PRESIDENT: Well, I think I have learned that if every problem is an ulcer-generating one, you don't have good health, and if you don't have good health you can't work at the job.

● QUESTION: Thank you again.

THE PRESIDENT: It is a real pleasure to see you.

THE PRESIDENT: Well, I am glad that you recognized that I hadn't started campaigning.

● QUESTION: I mean acknowledged campaigning.

● QUESTION: Or overt.

THE PRESIDENT: There are no overt operations in this office.

It is my judgment the best way for me to get any political success in the future is to do a good job right here so that the maximum effort will be made here in this office or in whatever I do on an international basis.

His Domestic Travels

That doesn't mean I have to sit in this office 24 hours a day, 365 days a year.

● QUESTION: Mr. President, you have made clear recently that you would like to have Vice President Rockefeller on the ticket as your running mate, and you have said at the same time, however, that the decision would be up to the convention delegates. Given Mr. Rockefeller's prior experiences with the Republican conventions, isn't that a little bit like throwing the Christians to the lions?

THE PRESIDENT: No, I think the situation is quite different. In the first place, he has done and will continue to do a fine job as Vice President, so he will have a proven Federal track record. Heretofore, he has been a governor seeking nomination. What he has done here in the Federal Government will be beneficial to him before a convention. He won't be competing in the same way as he was competing with Presidential candidates. That is another significant difference.

So over-all I think his chances are a great deal better for this than any of the instances where he was not successful and when he was seeking the Presidency.

● QUESTION: Could you campaign happily and successfully with someone else on the ticket—say Governor Reagan?

THE PRESIDENT: There are a lot of good Republicans. I have campaigned for them in their respective areas as a senator or as a governor, and now as a congressman. If I answer one way I am condemning them, so I just reiterate my support for them now as I have in the past.

● QUESTION: Supposing Governor Wallace launches, or someone else does a conservative third-party candidacy, does that hurt you or the Democratic nominee?