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Transcript of Ford's First News

Following is a transcript of President Ford's first news conference from the East Room of the White House in Washington yesterday, as recorded by The New York Times:

OPENING STATEMENT

Please sit down.

Good afternoon. At the offset I have a very important and a very serious announcement. There was a little confusion about the date of this press conference. My wife, Betty, had scheduled her first press conference for the same day and obviously I had scheduled my first press conference for this occasion.

So Betty's was postponed. We worked this out between us in a calm and orderly way. She'll postpone her press conference till next week. And until then, I'll be making my own breakfast, my own lunch and my own dinner.

QUESTIONS

1. Immunity for Nixon

President: Helen.

Q. Mr. President, aside from the Special Prosecutor's role, do you agree with the bar association that the law applies equally to all men, or do you agree with Governor Rockefeller that former President Nixon should have immunity from prosecution? And specifically, would you use your pardon authority if necessary?

A. Let me say at the outset that I made a statement in this room on the— a few moments after the swearing in. And on that occasion I said the following: That I had hoped that our former President who brought peace to millions would find it for himself.

Now the expression made by Governor Rockefeller, I think, coincides with the general view and the point of view of the American people. I subscribe to that point of view.

But let me add: In the last 10 days or two weeks, I've asked for prayers for guidance on this very important point.

In this situation I am the final authority. There have been no charges made. There have been no—there has been no action by the court; there's been no action by any jury, and until any legal process has been undertaken I think it's unwise and untimely for me to make any commitment.

2. Conserative Allies

Q. Mr. President, you've been in office for 19 days now and already some of your natural conservative allies are grumbling that you're moving too far to the left. Does this trouble you?

A. I don't think I've deviated from my basic philosophy nor have I deviated from what I think is the right action. I have selected an outstanding person to be the Vice President. I have made a decision concerning amnesty which I think is right and proper—no amnesty, no revenge—and that individuals who have violated either the draft laws or have evaded Selective Service or deserted can earn their way or work their way back. I don't think these are views that fall in the political spectrum right or left. I intend to make the same kind of judgments in other matters because I think they're right and I think they're for the good of the country.

3. Public Works Program

Q. Mr. President, I'd like to follow that with one more example possibly, that is, there's a report that the Administration is considering a \$4-billion public works program in case the inflation rate gets higher than it is—say 6 per cent. Is that under consideration?

A. I think most of you know that we do have a public service employment program on the statute books which is funded right today, not for any major

program but to take care of those areas in our country where there are limited areas of unemployment caused by the energy crisis or any other reason.

There is a recommendation from some of my advisers saying that if the economy gets any more serious that this ought to be a program, a broader, more expensive public service program. We will approach this problem with compassion and action if there is a need for it.

4. Plans for 1976

Q. Mr. President, sir, two political questions. Do you definitely plan to run for President in 1976 and if so, would you choose Governor Rockefeller as your running mate or would you leave that choice up to the convention's free choice?

A. I'll repeat what has been said on my behalf that I'll probably be a candidate in 1976. I think Governor Rockefeller and myself are a good team. But, of course, the final judgment in this matter will be that of the delegates to the National Convention.

5. Pardon Is an Option

Q. Mr. President, may I just follow up on Helen's question. Are you saying sir that the option of a pardon for former President Nixon is still an option that you will consider depending on what the courts will do?

A. Of course I make the final decision and until it gets to me I make no commitment one way or another but I do have the right as President of the United States to make that decision.

Q. Then you're not ruling it out. A. I am not ruling it out. It is an option and a proper option for any President.

6. Jaworski and Cases

Q. Mr. President, do you feel the special prosecutor can in good conscience pursue cases against former top Nixon aides as long as there is the possibility that the former President may not also be pursued in the court?

A. I think the special prosecutor, Mr. Jaworski, has an obligation to take whatever action he sees fit in conformity with his oath of office, and that should include any and all individuals, yes.

7. No More Watergates

Q. Mr. President, what do you plan to do as President to see to it that we have no further Watergates?

A. Well, I indicated that, one, we would have an open Administration. I will be as candid and as forthright as I possibly can. I will expect any individuals in my Administration to be exactly the same. There will be no tightly controlled operation of the White House staff. I have a policy of

seeking advice from a number of top members of my staff. There will be no one person nor any limited number of individuals who make decisions. I make the decisions and take the blame for them or whatever benefit might be the case.

I said in one of my speeches after the swearing-in there would be no illegal wire taps, there would be none of the other things that, to a degree, helped to precipitate the Watergate crisis.

8. A Code of Ethics

Q. Do you plan to set up a Code of Ethics for the Executive Branch? A. The code of ethics that will be followed will be the example that I set.

9. Control of Inflation

Q. Mr. President, do you have any plans now for immediate steps to control and curtail inflation—even before your summit conference on the econ-

CONFERENCE SINCE HE ASSUMED THE PRESIDENCY

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omy?

A. We have announced that as far as fiscal control is concerned we will spend less in the Federal Government in the current fiscal year than \$300-billion. That's a reduction of three—of \$5,500-million at a minimum.

This I think will have two effects. No. 1, it'll be substantively beneficial. It'll make our borrowing from the money market less, freeing more money for housing, for the utilities to borrow. And in addition, I think, it will convince people who might have some doubt that we mean business.

But in the meantime, we are collecting other ideas from labor, from management, from agriculture, from a wide variety of the segments of our population, to see if they have any better ideas for us to win the battle against inflation.

10. Wage and Price Curbs

Q. Mr. President, as you know, a number of people have questioned your opposition to a return to wage and price control. Gardner Ackley, University of Michigan economist, that you have listened to in the past, recently testified before Congress that if we are really frightened about inflation we ought to think about returning to wage and price controls. Can you foresee any circumstances under which you would be willing to do that and make them work?

A. I foresee no circumstances under which I can see the reimposition of wage and price controls. The situation is precisely this: this past week I had a meeting with the Democratic and Republican leadership, plus my own advisers, in the field of our national economy. There was an agreement, No. 1, that I would not ask for any wage and price control legislation, there was agreement by the leadership on both sides of the aisle that there was no possibility whatever that this Congress in 1974 would approve any such legislation; No. 3, labor and management almost unanimously agree that wage and price controls at the present time or any foreseeable circumstances were unwise. Under all of those circumstances it means wage and price controls are out, period.

11. Use of Rockefeller

Q. Mr. President, can you give your present thinking on how best you might use Mr. Rockefeller as Vice President once he's confirmed?

A. I have a lot of ideas. Until Congress confirms Mr. Rockefeller, we're sort of in a honeymoon period. I really shouldn't make any commitments until we actually get married. But, to be serious, if I might, I think Governor Rockefeller can be extremely important in the new Administration as my teammate in doing effective work in the area of the Domestic Council. We have to prepare legislative proposals that will go to the Congress when the new Congress comes back in January.

I believe that Governor Rockefeller will take over my responsibilities heading the subcommittee of the Domestic Council on Privacy. Governor Rockefeller with his vast experience in foreign policy can make a significant contribution to some of our decision making in the area of foreign policy. Obviously in addition, he can be helpful, I think, in the political arena under certain guidelines and some restrictions.

12. Question of Controls

Q. Mr. President, you just ruled out wage and price controls, but I would like to ask you why Mr. Nixon, when he was President, felt he was compelled to go back to them because the situation was getting out of hand. Can you just reinforce what you told Mr. Goldstar why you think the situation is not that much out of hand yet?

A. I can only refer you to the circumstances and the decision of President

Nixon in August of 1971. That was the decision he made under quite different circumstances. We're in totally different circumstances today; we've gone through a three-year period more or less; I think we've learned a few economic lessons, that wage and price controls in the current circumstances didn't work, probably created more dislocations and inequities. I see no justification today regardless of the rightness or wrongness of the decision in 1971 to reimpose wage and price controls today.

13. Changes in Advisers

Q. Mr. President, you're still working with the same team of economic advisers who advised your predecessor. As a matter of putting your own stamp on your own Administration and perhaps spurring confidence, do you plan to change in the cast of characters?

A. There is one significant change just within the last 48 hours. Herb Stein who did a superb job for President Nixon is going back to the University of Virginia and Alan Greenspan is taking over. He's been on board, I think, two days. That is a distinct change. I think Mr. Greenspan will do an excellent job. We are soliciting through the economic summit the views of a great many people from the total spectrum of the American society.

Their ideas will be vitally important in any new or innovative approaches that we take. So I think between now and the 28th of September when I think the second day of the summit ends, we will have the benefit of a great many wise, experienced individuals in labor, management, agriculture etcetera and this will give us, I hope, any new ap-

proaches that are wise and beneficial. Yes?

14. Cartels and Oil Prices

Q. Mr. President, some oil governments and some commercial cartels, notably Aramco in Saudi Arabia, are restricting oil production in order to keep oil prices artificially high. Now, the United States can't do anything about Venezuela, but it can conceivably vis à vis cartels like Aramco. What steps and actions do you plan to take in this regard?

A. I think this points up very vividly the need and necessity for us to accelerate every aspect of Project Independence. I think it highlights the need and necessity for us to proceed with more oil and gas drilling, a greater supply domestically. I believe it points up the requirement that we expedite the licensing processes for new nuclear reactors. I think it points up very dramatically the need that we expand our geothermal, our solar research and development in the fields of energy. In the meantime, it seems to me that the effort that was made several months ago to put together a group of consumer industrial nations requires that this group meet frequently and act as much as possible in concert because if we have any economic adverse repercussions because of high oil prices and poor investment policy, it could create serious economic problems throughout the industrial world. So it does require, I believe, the short term action by consumer nations and the long term actions under Project Independence.

15. Questions on Nixon

Q. Mr. President, have there been any communications between the special prosecutor's office and anyone on your staff regarding President Nixon?

A. Not to my knowledge.

16. Advice for Wage Earners

Q. Mr. President, the beneficial effects of budget cutting on inflation will take some time to dribble down to the wage earner. What advice would you give the wage earner today who's hav-

ing trouble stretching his dollar over his payments?

A. I think every wage earner has to realize that we're going through a serious economic problem, with inflation in double digits—not as bad as people in many Western European countries, but it will require him or her to follow the example of their Federal Government which is going to tighten its belt. And likewise, for an interim period of time, watch every penny.

17. Indian Ocean Fleet

Q. Mr. President, you said last March in an interview I think in Sea Power magazine that you came down quite strongly in favor of establishing a U.S. Indian Ocean fleet with the necessary bases to support it. Do you still stand by that and do you favor the development of Diego Garcia?

A. I favor the limited expansion of our base at Diego Garcia. I don't view this as any challenge to the Soviet Union. The Soviet Union already has three major naval operating bases in the Indian Ocean. This particular proposed construction I think is a wise policy and it ought not to ignite any escalation of the problems in the Middle East.

18. Veteran's Benefits Bill

A. Yes.

Q. Sir, I want to ask you about the new veterans benefits bill that Congress passed in the last hours. I understand this is a bill that you favored and maybe spurred the Congressmen to pass to save \$200-million. Now, my question, is that a real saving when it gives a disabled man less money than an able man and disrupts completely the veterans going to college in September?

A. I had no part in just how that House action was taken. I did discuss, coming back from the V.F.W. meeting in Chicago with a number of members of the House and Senate, the problem that I face with the bill that came out of conference which would have added \$780-some-million over and above the budget for this year and a substantial

increase for a number of succeeding years.

But that particular compromise was put together and brought to the floor of the House without any participation by me. I think there are some good provisions in that particular House action.

It does tend to equalize the benefits for Vietnam veterans with the benefits that were given for World War II and to Korean veterans.

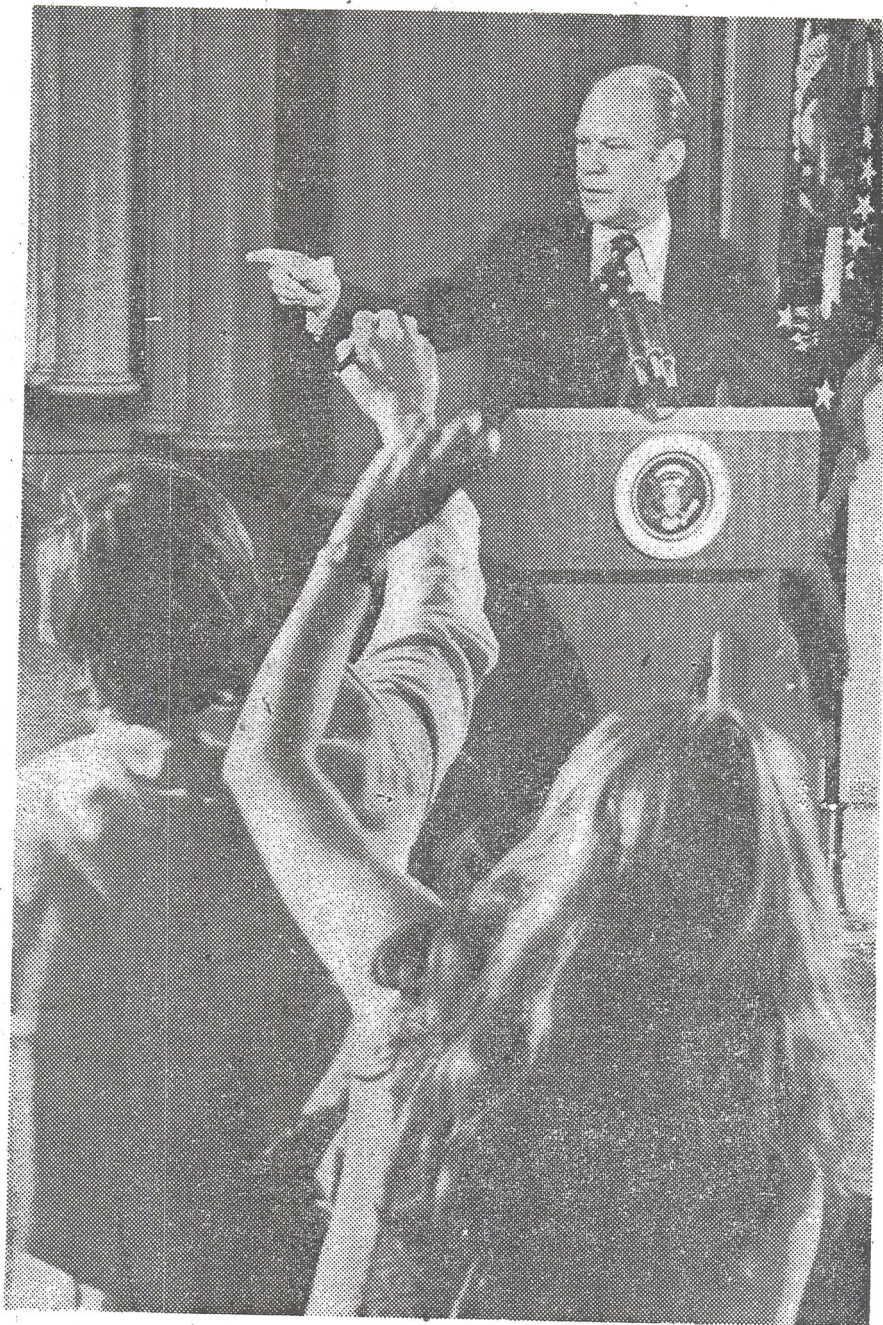
There are some, I think, inequities and you probably pointed out one. I hope when the Congress reconvenes within a week or so that they will go back to conference, take a good look and hopefully eliminate any inequities inflationary the way it was and it may be the way it was proposed by the House.

and keep the price down because it is

19. The Defense Budget

Q. Can you cut the Federal budget, or will the domestic special programs have to bear the whole brunt of the anti-inflation fight, or can some money come out of the defense budget, and if so, how much.

A. No budget for any department is



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Reporters vying for President Ford's attention at his news conference

sacrosanct. And that includes the defense budget. I insist, however, that sufficient money be made available to the Army, the Navy and the Air Force so that we are strong militarily for the purpose of deterring war or meeting any challenge by any adversary. But if there is any fat in the defense budget, it ought to be cut out by Congress or eliminated by the Secretary of Defense. In the meantime, all other departments must be scrutinized carefully so that they don't have any fat and marginal programs are eliminated.

20. List of Priorities

Q. Mr. President, you have given top priority to inflation. Do you have a list of priorities, and if so, what is number two?

A. Well, of course, Public Enemy No. 1, and that's the one we have to lick, is inflation. If we take care of inflation and get our economy back on the road to a healthy future, I think most of our other domestic programs or problems will be solved. We won't have high unemployment. We'll have ample job opportunities. We will, I believe, give greater opportunities to minorities to have jobs. If we can lick inflation, and we're going to try, and I think we're going to have a good program, most of our other domestic programs will be solved. Yes.

21. Plans for Poverty Office

Q. Do you have any plans to revive the Office of Economic Opportunity, and if so, in what areas?

A. As I'm sure you know, the old poverty program has been significantly changed over the last several years. The Head Start program has been taken out of O.E.O. and turned over to the Department of H.E.W.

The health aspects of the old poverty program are also over in H.E.W. The Congress just approved, and Mr. Nixon approved, a Legal Services Corporation which was another part of the old poverty program. So we end up really with just the C.A.P. program (Community Action Program).

Now, I think most people who have objectively looked at the Community Action Program and the Model Cities Program, and maybe some of the other similar programs, there is duplication, there is overlapping. And under the new Housing and Urban Development Bill, local communities are given substantial sums to take a look at the Model Cities Programs and related programs and they may be able to take up the slack of the ending of the Community Action programs.

22. Shift of Embassies

Q. Mr. President, my question applies to the 1972 statement in which you said that an impediment to regional peace settlements is an impediment to preserve the fiction that Jerusalem is not the capital of Israel. My question, sir, is would you, now that you set foreign policy, request that the embassy be shifted from Tel Aviv to Jerusalem along with 17 other national embassies?

A. Under the current circumstances and the importance of getting a just and lasting peace in the Middle East, I think that particular proposal ought to stand aside. We must come up with some answers between Israel and the Arab nations in order to achieve a peace that's both fair and durable.

23. Policy Toward Cuba

Q. Mr. President, Do you contemplate any change in our policy with Cuba?

A. The policy that we have towards

Cuba today is determined by the sanctions voted by the Organization of American States and we abide by those actions that were taken by the members of that organization.

Now, if Cuba changes its policy toward us and toward its Latin neighbors, we, of course, would exercise the option, depending on what the changes were, to change our policy.

But before we made any change, we would certainly act in concert with the other members of the Organization of American States.

Yes?

24. No Comment on Pardon

Q. Mr. President, you've emphasized here often of granting a pardon to the former President. A. I intend to.

Q. You intend to? If an indictment is brought, would you grant a pardon before any trial took place.

A. I said at the outset that until the matter reaches me, I am not going to make any comment during the process of whatever charges are made.

25. Length of Transition

Q. Mr. President, two questions, they're related. How long will the transition, last, in your opinion? And secondly, how soon would it be proper and fair for Democrats on the campaign trail to start and hold you accountable for the economic policy and the economic problems we have to face?

A. Well, I can't judge what the Democrats are going to say about my policies. They've been very friendly so far, and very cooperative.

I think it's a fair statement that our problems, domestically, our economic problems are the joint responsibility of government. As a matter of fact, I think the last poll indicated that most Americans felt that our difficulties were caused by government action and that, of course, includes the President and the Democratic Congress.

So we're all in this boat together, along with labor and management and everybody else. I don't think making partisan politics out of a serious domestic problem is good politics.

26. No Decision on Raise

Q. In your fight against inflation what if anything do you intend to do about the next Federal pay raise? A. I've made no judgment on that yet. The recommendation has not come to my desk.

27. Status of Armed Talks

Q. How do you expect the SALT talks to resume. Is there disagreement over our position and the Pentagon and State Department and other agencies.

A. At the present time there is an effort being made to bring the Department of Defense, State Department and any others together for a resolution of our, our, the United States' position regarding SALT 2.

This decision will be made in a relatively near future.

I don't think there's any basic difficulties that cannot be resolved internally within our Government.

I believe that Secretary Kissinger is going to be meeting with representatives, from the Soviet Union in the near future, I think in October if my memory is correct.

And we of course will then proceed on a timetable to try and negotiate SALT 2. I think, properly negotiated, effective strategic arms limitation agreement is in the best interest of ourselves, the Soviet Union and a stable international situation.

Thank you.