Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Reagan, Ronald: Gubernatorial Papers, 1966-74: Press Unit Folder Title: Press Conference Transcripts – 10/15/1974, 10/31/1974, 11/07/1974, 11/12/1974 Box: P04

To see more digitized collections visit: <u>https://reaganlibrary.gov/archives/digital-library</u> To see all Ronald Reagan Presidential Library inventories visit:

https://reaganlibrary.gov/document-collection

Contact a reference archivist at: <u>reagan.library@nara.gov</u>

Citation Guidelines: https://reaganlibrary.gov/citing



NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD OCTOBER 15, 1974

Reported by:

(This rough transcript of the Governor's press conference is furnished to the members of the News Corps for their convenience only. Because of the need to get it to the News Corps as quickly as possible, no corrections are made and there is no guaranty of absolute accuracy).

----000----

GOVERNOR: Good morning. I guess I can't tell anything about the baseball fans here present with the Series divided at one and one yet. No chance to see any gloom or doom or joy on anyone's face. I'm just as neutral as anyone can be in this job.

Q. Are you going to get to see any of the games? GOVERNOR: I don't think so.

Q. What's more important?

GOVERNOR: Just scheduling.

Q. Senator Cranston said today he has been talking to Republicans about the nomination of <u>Nelson Rockefeller as Vice President</u>. He said he talked to you briefly some time ago and as he put it received "an inconclusive response from him as I did when I talked to him about Gerald Ford, he said something pleasant but it wasn't an enthusiastic endorsement." What are your feelings?

GOVERNOR: Who did you say you got that from?

Q. Senator Cranston said that was your response to him when he asked you about the nomination of Gov. Rockefeller.

GOVERNOR: I don't recall Senator Cranston ever asking me. I don't know anything about this. The only call I recall is he called me about wanting to come out here and hold some kind of a conference prior to the President's conference on economics and on the inflation problem and would I participate and I said I thought that no, I wouldn't, I didn't think it would serve a useful purpose at that time, that I preferred to wait and see what the National Conference---what their recommendations were. Q. You don't recall talking to him about Gov. Rockefeller's nomination? GOVERNOR: No. I don't think the subject ever came up.

Q. What are your feelings about the Rockefeller nomination now? GOVERNOR: I don't think it would be proper for me to comment right now. He is there before the House Committees. I have said all I have to say. I have known Nelson for a long time, his record is there for anyone to see We have had a cordial relationship. Q. Do you hope he will be confirmed?

GOVERNOR: Yes, I think it would be fine if he were.

Q. In the light of recent developments in the last week, Governor? GOVERNOR: I am not going to comment further than this. When I say that in answer to your question that it would be then that means that I would hope that these various issues that are being raised would be proven to have no validity but I am not going to comment when there are Congressiona committees that have to hear this and I am not present, hearing the facts or knowing what has been brought up.

Q. Cranston said there was still some residual bad feeling from the Goldwater campaign. Do you personally harbor any of that feeling or know of the extent?

GOVERNOR: NO.

Q. Senator Cranston said he was surveying Californing Republican leaders to see how they felt about it. Now from your own knowledge of California Republican leadership he said over half of the California Republican leaders he surveyed were against the <u>Rockefeller nomination</u>. Does that jibe with your own knowledge of the situation?

GOVERNOR: I have never made any effort, nor I couldn't give you any figures or anyting of that kind. I have not discussed this matter with Republican leaders and if I am a Republican leader I am one of the ones that he didn't contact, inspite of what he says.

Q. With Mr. Rockefeller's nomination being in stormy weather as they are calling it do you think it would be wise for the President to start looking around for another choice?

GOVERNOR: You would have to ask him that.

Q. Would you be available if he asked you?

GOVERNOR: I am not going to go beyond what I have already said.

Q. Mr. Flournoy over the weekend said in a speech that if he is elected he will probably replace most of your major appointments to state agencie as heads. Do you have any reaction to that?

GOVERNOR: Anyone who is elected Governor that is his prerogative and I am sure that everyone has his own choices and his own personnel whom he would like to have help him institute his programs. And I think most of our people here in government expect that. I am sure that no one would want to feel that maybe he had someone who had a lingering loyalty to anyone else. I can only say this that as far as might-have-been this is one of the things I will be the proudest of, that we have brought the level of the quality of employee to state government, that we have had here greater than at any time I have every known, here or in any other state. We have been fortunate in getting men who were willing to make a sacrifice and give up other cargers and come here and serve the people for a period of time and there is just no matching the level and I hope Mr. Flournoy has the same thing in mind and I am sure he does. Q. What do you think about <u>TIME</u> magazine's decision to place Jerry Brown's picture on its cover this week?

GOVERNOR: Isn't there something about the curse of being on the fron t of TIME magazine? No, I don't know, I haven't seen TIME magazine. Q. Why haven't you done any <u>campaigning</u> for Senator Richardson as you have done for others statewide Republican candidates? Republican GOVERNON: In my general publican preserves I have included him and referred to him as the entire ticket. I 'made myself available throug the Party, they have scheduled me and I just assumed that Senator Richardson had his own campaign and didn't ask in that I have not been asked to be, specifically appear for him at a fundraiser as I have for Constitutional officers and a number of Legislative officers, or

Q. Are you supporting him as enthusiastically as you are other members of the ticket?

legislative candidates.

GOVERNOR: Yes. Even more so since the questions here this morning. Q. You said that <u>Reaganism</u> is an issue in the campaign this year, particularly I guess at the gubernatorial level. If Flournoy and other Republicans are defeated as the polls would indicate at this point would you consider it a personal defeat of your philosophy?

GOVERNOR: No. I think today with the economic problems confronting the people I think there is a great deal of confusion and also a great deal of apathy and there is a lingering apathy and in some areas resentment on the basis of Watergate, people turned off on politics. I think the thing reading some of the stories and the roundups on surveys and polls, and so forth, that disturbs me the most is again the lack of understanding on the part of so many people of where to assess the blame for the things that they resent right now, the problems---inflation and so forth---and by the same token unable to assess the blame properly the manner in which they will turn and support someone as a potential solver of the problems who indeed has been part of the problem. There is just too much of this. This is why again I say I think there is a great need for clarification not only in this campaign but for some time to come abou this system and how it works.

I give a point if that seems indefinite --- I was reading in one newspaper the story this morning quoting someone who was complaining about the problems and then used the term "time for a change" but they used "time for a change" meaning that they were then going to support Democratic candidates. While I submit that if anyone wants a change that is going in the wrong direction. Here in this state for virtually all of the eight years I have been here, the Democrats have determined, to a large extent, policy by way of legislation and my greatest power has been veto power. The few things, the major accomplishments such as welfare reform that were major and we have been able to get, the property tax reform, we only got by going to the people and forcing public opinion on the legislature. They have no intention of changing. An example was this recent Pension bill. When finally public opinion made them aware they could not withstand the scandal then they put their names on the legislation to try and cover up and confuse the people that they were in favor of rectifying the problem. At the National level, in Congressional races, for forty eut of the last 44 years the Democrats have been running the Congress of the United States and just occupying the White House for a few years does not put the Republicans in charge. The deficit spending, the inflation, the present tax situation are all Democrat doings. Q. Lt. Gov. Harmer in announcing the meeting of the Economic Development Commission talked about the possibility of helping the housing industry and the amount of money available to be loaned. Why then did, if he feels that important, did you veto the housing legislature that was sent to you?

GOVERNOR: I vetoed the legislation that was sent to me because in most of the states that have gone into the business of meeting some of their problems by setting up semi-autonomous commissions with the power to bond, those state have lost their credit ratings for their bonds. California has the highest rating there is and the legislation that was sent to me would have created a commission which would have the authority to handle a half-billion dollars as they saw fit to make this available for housing and would have put the entire credit of the State of California behind their doings and I just didn't think this was the way to resolve the proble It certainly was not going to contribute to fighting inflation. To indicate that the only reason there is a housing problem is because of high interest rates is to ignore the inflated cost of construction today which is probably worse than any industry you can name. People can't afford houses today and it's not alone interest. They can't afford the

- 4 -

cost of construction, period.

Q Governor, what is the way these things can solve the poblem of housing in California?

Governor: I think the housing problem is like all the others; they are all appendages to the main problem of inflation. And we must lick the problem of inflation, and we'll find these other things will fall in place. In the meantime, to pick out one sector of the economy and to think by subsidy, you can go ahead and ease the situation there, while you fight inflation with just one hand and ignore these things...you're going to keep right on having inflation.

Q How would you lick <u>inflation</u>, Governor, in 30 seconds? Governor: Cut the federal spending, and then do the thing the President has asked for, and that is, review all of the legislation and all of the regulations which are hindering business todayand restricting its ability to expand to provide the jobs our people need, and to increase productivity. We have the lowest per man-hour productivity in America today of most of our foreign competitors. And this is an unusual thing, because the one thing America always had going for it and that accounted for our high standard of living was that we could out-produce, man for man, more than any other nation. And that's no longer true.

Q Governor, if the President's anti-inflation proposals are approved to halt and they fail/the rising inflation, would you feel a stronger duty to seek the Republican nomination in 1976?

No, I thought that your question was finally going to get Governor: around to that. If a program is rigorously put into being with regard to fighting inflation ... including many of the things I'm not in total agreement with all the things that have come out as recommendations; I do not support the idea of raising taxes; I've always said that that is a counter-productive measure where inflation is concerned. But, if the program is put into effect and Congress cooperates, and so far Congress has shown no indication to cooperate. And, again, I point to the majority party--the majority leadership in the Congress--the denial of the simple request of delaying the pay increase for three months when the level of pay in federal employment today, as an industry, as a group, averages higher than any other industry in America today. This was an indication of Congress' approach. And I think they're probably going to drag their feet on a lot of other measures. The thing, then, if there is any conscience among any of us, the thing is to make sure that those who

-5-

are responsible for breaking down the fight to <u>inflation</u> are properly exposed. And that we know who is responsible, and not simply say, a President's program didn't work, when no one tried to make the President's program work, when they subverted it instead. Now, if that does not take place, then God bless us, partisan politics and the two-party system is functioning properly in America and will cure inflation.

Q Governor, speaking of the two-party system, in your travels recently in talking to Republicans and making appearances, has anyone ever mentioned the possibility of a third party candidacy for you...to you directly. Governor: No, I have just heard some general discussions around when people are talking about wondering if both of the parties have sort of lost their way, and this isn't a day for the new majority, and that sort of thing. I've never had anyone seriously sit down and talk to me about such a thing.

Q How would you feel about this?

Governor: There could be one of those moments in time. I don't know. I read the polls like you do. I see the statements of disaffection of people in both parties--the loss of confidence. And you wonder which is the easiest. Do you restore the confidence or do you change the name, or something. I don't know. I really don't. I still think that the two-party system has served this country very well, and I wish the two parties could revive an interest to the place where the biggest group of people wouldn't be undecided. It is the undecided, those that decline to state, they're letting someone else choose their candidates for them. Q Are you ruling out the possibility of yourself being involved in something like that?

Governor: No, now, again, you're framing my answer for me. I simply said a that I don't know the answer or whether it has reached/point where there is no chance to revive the interest in the two political parties. I really don't know. Right at the moment, I'm doing my best to revive the vehicle interest in my party as being the best/to what has to be done. Because I think that everything for the last 40 years in social reforms and experiments that have been attempted by the Democrats have an almost unbroken record of failure. They have not solved the problems. In fact, they have become the problems.

Q Governor, I'd like you to clarify your stand on the third party for us, please. You're not ruling that possibility out?

Governor: Well, not in the sense in which I'm talking about the natural movements of people and things that go on. I'm not standing here advocating

-6-

one or the other, I am saying there have been moments in time when new parties were created or there was a reshift or a rebalancing between parties. Whether we are coming to one of those moments in history I don't know. I don't know how deep is the disaffection and the apathy, but I do know that when the Democrats only turn out 26 percent of the vote in New York State in a Primary for the United States Senate there is obviously, at the moment, something in our two-party system that is not working. Now this could be a temporary thing brought on by the last year and a half. I, myself, have expressed the theory that possibly part of the disaffection of our obsession with Watergate in the last two years has been caused as much by weariness as anything else, that people just are fed up with politics and they don't even want to talk it and therefore they can't get themselves roused up to participate in a campaig and that could very well be part of it. If so, time will heal that. the leadership role for Q. You, like it or not, represent a number of people, a great number of people in this country, who have a certain conviction and philosophy of government. Are you content to let other people do the searching for you, whether the party system at presen is viable? Don't you feel that you have an obligation actively to enquir whether a third party is necessary and whether this is the proper time? GOVERNOR: The obligation that I feel right now is the one that I have embarked on and that is to remind the people of this country of what they voted for in 1972. What they voted for, the philosophy and what they repudiated and I have used the term that that is a "mandate" and it is up to government to carry out that mandate of the people because I don't think the people have changed their minds, they still feel that, in fact, and probably feel even stronger about that mandate than they did them. Now what it takes to enforce that I myself am appealing to the Republicar Party to accept that as an obligation and try and carry on that mandate. If the disaffection and apathy is as great as you say it might be 0. therefore it would require a third party candidate to carry out the mandate, would you be that third party candidate? GOVERNOR: This time would tell. If neither political party is going to abide by the will of the people I think the people are going to find some way to express that will.

Q. Then you would put principle above party? I am asking that question for context.

GOVERNOR: Yes. Oh yes. I did when I left the Democratic Party and /who became a Republican. I have often quoted Winston Churchill gave the answer to your question, he said "Some men change principle for party and some men change party for principle." I agree with him and believe in the latter.

Q. How successful do you think your efforts have been in reviving the Republican Party so far this year?

GOVERNOR: I don't know, we'll know more in November, we'll see.

Q. Would you consider the election to be a barometer of your success in that area or is that just transitory?

GOVERNOR: No. I am not a candidate and obviously candidates are going their own way and campaigning with their own issues.

Q. You said you are opposed to a tax increase as a solution to inflation I take that to mean you are opposed to the President's suggestion for a surtax.

GOVERNOR: Yes I am opposed. I have taken that position from when I first heard the report. I have said that in general I found many things in there I do support, his wanting to look at the regulatory agencies, wanting to reduce the cost of federal government. I don't believe that the surtax is necessary, in fact I do think it is counter-productive. When you have government that has grown beyond its bounds and should be reduced in power and size and cost to increase taxes is to tempt a legislature beyond its strength to resist because what you do is to attempt to solve the problem by increasing the government's revenues and government does increase its costs to meet revenues, not the other way around, and if you really want to cut government's costs cut off the money supply.

Q. How can you criticize the Democrats for not letting the President's program run its course to curb inflation when you are critical of the same programs/ components?

GOVERNOR. No, this program is not so dovetailed, it is not a plan, he didn't even pretend it was a plan dovetailed together in which if you took one little piece out it all came unglued and I say that overall the things that he asked for first of all to balance the budget and then to reduce the spending in the next budget to where it is even a surplus budget, to reduce in this year right now the cost of government by, with only six months to go, by $5\frac{5}{2}$ billion, these measures, to review all the regulatory things to offer the incentives that he proposed, to increas production, because that is the other side of it. If you've got a money supply up here and a supply of things to buy down here you can raise this up to the level of the money supply prices come down,

When you've got too much money chasing too few products you continue to have inflation.

Q. Don't we have the assumption that he can regulate spending by veto powers, so therefore he can control that and that the surtax.... GOVERNOR: He can veto some wrong suggestions that are made but veto is a negative power, a veto cannot affirm well, for example, curbing the regulatory agencies, and lifting the restrictions that are adding to the cost of production but not expanding the ability to produce. You can't do that with a veto, that depends on the Congress, and those are the main things that have to be done.

Q. You mentioned your opposition to the surtax to the President in a telegram I think the day before he announced the program based on assumptions. Have you communicated with him any further since then? GOVERNOR: No.

Q. Are you opposed to the <u>housing legislation</u> which will likely get to the President in the next few days to provide additional federal funds for the purchase of homes?

GOVERNOR: I don't have an answer on that. I haven't checked on that, I don't know what the program is or calls for.

Q. You talked about the mandate of '72 and your role of reminding people of that. There is a sizable body of opinion that says that a lot of that is a vote against George McGovern. If that is true, or if you think that is true and second of all if it is true wouldn't that make a <u>third party</u> candidacy along that line counter-productive?

GOVERNOR: Well, as I have said before my hope is, my plea is, that the Republican party which was the vehicle which carried that mandate which offered the program that the people, Democrat, Independent and Republican, voted for in such great numbers that the Republican Party will continue to be that vehicle.

Q. Any more questions?

A. Yes, one more. Do you think your views on crime and punishment are consistent with public opinion in view of the fact that the recent initiative failed by a large margin, the one that would have outlawed probation for certain offenses?

GOVERNOR: You mean the initiative on the ballot?

Q. The one that failed to get on the ballot by almost 200,000. GOVERNOR: Being married to someone who got thousands of signatures herself I know something about that. That didn't get on the ballot, we never once, we never met a person, nor has anyone she ever talked to who

was also circulating petitions, never met a person who was opposed to it. But it proved again, in a state of 21 million people, you didn't have any organization. Very frankly the peace officers organizations were supposed to be taking the lead in circulating those petitions but we found time after time that there were police stations and sheriff stations that didn't even know that there were such petitions being circulated and I suppose it comes down to that there was no effort made to raise any money, there was no spending in the campaign, it was just left to individuals who heard about it and there was just a lack of knowledge. If there had been any way, any organization at all to let the people know that there were such circulations, rather such petitions were being circulated, I am sure there would have been no question about it. It is a tragedy that they even had to make the effort because legislation to do that has been introduced and has been buried in the graveyard of law and order --- the Assembly Criminal Justice Committee --- where it will be continued to be buried until there is a change in leadership up there that gives you a committee of the kind that we had the one time when there was a different party occupying the Speaker's chair, just the one few-months time here in my years and we passed 41 pieces of anti-crime legislation that have contributed a great deal to our ability to enforce the law. But the failure of this was just a thing

initation

Q. Not well organized even though your name, the name of your Attorney General Younger's name was associated with it? Also the California Peace Officers' Association.

GOVERNOR: They asked Nancy to take the title of honorary chairman of this and she took it seriously enough to work very hard and as I say she got literally thouands of signatures, but as I have also said she never met anyone that refused to sign. Everyone, and almost invariably, she came home with stories that everyone who signed said this was the first they had ever heard of it. I saw no news of it, I saw no news stories concerning it, certainly there was nothing ever appeared in the media about it and it just died from lack of nourishment. I am amazed they got as many hundred thousand signatures as they did.

Q. Could you yourself then have done more to publicize it? GOVERNOR: Oh, I tried to in places where I spoke I referred to it, I called attention to it at Convention audiences I addressed, called attention to it, and those people in the room heard me but the news was never exactly headlined that I had inserted that into my speech.

10

Q. Do you blame the press then?

GOVERNOR: No, I am just saying it wasn't organized. There was no real organized effort to do this. There was no money raised, there was no means to advertise it.

Thank you, Governor.

#



NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD OCTOBER 31, 1974

Reported by

Q

Beverly D. Toms, CSR

(This rough transcript of the Governor's News Conference is Uprnished to the members of the Capitol Press Corps for their convenience only. Because of the need to get it to the News Corps. as quickly as possible, no corrections are made and there is no guaranty of absolute accuracy.)

----000----

GOVERNOR REAGAN: I have an opening statement here. (Whereupon Governor Reagan read Release No. 629.)

Q Governor, could you refresh our memories on how much those funds are?

A Yes, I believe the incoming administration gets \$125,000. The outgoing administration gets twenty-five.

Youdidn't send one to the Socialist Workers party, Governor. (Laughter)

A Do they have a candidate? I thought there were only four on the ballot. We goofed if we didn't.

Q Governor, how strongly are you supporting Bill Richardson for U. S. Senate?

A Well, I'm supporting the entire ticket. I have appeared at a couple of fundraisers for him and have one more to do. And have done an ad for him.

^{*}Q But Senator Cranston the other night hinted that he might even have a tacit endorsement or tacit support of you or that he didn't think you would mind if he won, and has evidenced the fact that some of your strongest supporters have contributed to his campaign.

A Well, Senator Cranston is absolutely wrong, whether he has my tacit support or whether I'm sitting back, I think Senator Cranston is one of the biggest spending senators in the <u>U. S. Senate</u>. He was a party as this session of Congress opened, he was one of 11 Democrat Senators who between them set a new record in the history of the United States in that the 11 of them proposed spending measures which totalled a trillion dollars of additional spending by the federal government. Q The Flournoy people released a poll showing him catching up with

-1-

Brown. Do you believe in <u>polls</u>, and has this one occurred to you? A Well, I don't believe you can ignore polls. We found that there's -- that they indicate trends. I don't think that they are accurate to the percentage point, but I believe they also show trends of this kind and evidently there is an upsurge and I hope it continues and to insure his victory.

Q Governor, both Mr. Brown and Mr. Flournoy have generally agreed that there need to be changes in the areas of collective bargaining for uhlic employees and the area of housing, and more public members on Consumer Affairs. These are the things that haven't happened in your administration. Do you take this as any reflection on what you accomplished and what you haven't done?

No, and I think there are differences between the two of them A on these points in collective bargaining. Houston Flournoy has indicated that he seeks to find some better way to -- for redress of grievances, and to work out problems between employees and government, and we have been doing the same thing. Now, perhaps in the transitional period, if he's the candidate and he finds out all of the changes we've made and all of the programs we've undertaken to bring this about, he will beencouraged by the progress we've made. His opponent, on the other hand, supports collective bargaining that would permit public employees to strike. Hugh Flournoy is opposed to this, and I think this is an issue of this campaign. Because any man who would run for public office and endorse the idea of public employees striking, I think is advocating something that is contrary to the public interests and to the -- and is against the good of the people of this state.

Q What in the area of housing, Governor -- you vetoed that bill and there also both agree that there should be more public members on the Board and Consumer Affairs department. My basic question is, how does this reflect on your administration?

A Well, again, I don't think that they -- in the area of the <u>Consumer Affairs department</u>, I don't think they are aware of the lead that we have taken and the steps that we've taken in these last few years to do exactly that. And to have more public representation. We were well aware that the tendency in any government regulation is for the regulators to need regulating. That the regulators pretty soon begin to represent not the consumer as much as the regulated industry. And we have taken steps and we have made great strides in that way, and I think that either one of them -- I know that Hugh, in his own job, has not been privy to all the things that are going on in the administration, and -- down at the department level. But he will find out that the Consumer Protection Agency in California is truly outstanding in the country. There is no other state that has anything like it, and we literally have laid down rules with regard to product quality, consumer safety that have affected manufacturing for the whole country. We have served the purpose in protecting the whole nation in such things as fireproofing of upholstery fabrics and things of that kind. We have a very strong and a very effective Consumer Protection Agency in California. Now, in the housing thing, with regard to he bond issue here, perhaps we have some disagreement. It is very easy to look only at the one thing and the slump in housing and the fact that there is -there is a slump and housing is not going forward in California. But thre has been no determination yet as to whether part of that slump might not be due to over production. I know we were warned two years ago that we were going to be confronting this because there was a tendency to -- to overbuild. But the bond issue that had come to our desk and that we vetoed was one that would have, I think, endangered the credit rating of the State of California, but it also would have created an autonomous agency that would have had bonding power and the full control -- not elected representatives, they were not elected, this autonomous agency would have had the power to spend a half a billion dollars and to float more bonds and to do what it chose to do with that money. Now, some other states have fallen into that trap to their sorrow. They have lost their credit rating for doing it and they have found that they have built monstrous costly programs. And we are as concerned as anyone else about housing. We have felt for a long time in this administration, however, that the federal government had pre-empted that field -- in the field of both subsidizing, with the exception of our veteran's program, which is a very successful program.

Q Does it bother you that even the Republican candidate is talking about changes far beyond what you have <u>accomplished in your administration</u>? A No, because I expect any candidate -- no one is going to be a rubber stamp. Every candidate has his own views on things and his own priorities and they are going to vary. I would say that basically Hugh and I have no philosophical quarrels. I might disagree with some trend that he would make, I'm sure that he in the past has disagreed

-3-

with some of mine. On the other hand, I feel in some of these actual particulars that there's been no opportunity for him to find out, as for example, the Consumer Protection Agency, that we are already --he may find that all he needs to do is continue and carry on what we have already started in that regard. I'm not going to say that it is easy. You get resistance from the people that are already there when you start to make changes in government, particularly when you are dealing with a bureaucracy.

Q And, Governor, Mr. Flournoy hasn't been -- cited your record or yourself unless he's asked about it. He hasn't really praised your administration except when the question has been raised. He seems to megard it as somewhat a burden on the campaign trail. Do you get this impression or not?

A No, I haven't gotten that impression at all. In fact, I read some of you writing about one of his appearances on the University campus where he took the mound about what our support and aid to education had been in spite of the fact that this was displeasing to some students who had been well indoctrinated, I'm sure, that we were tearing down the universities and the educational institutions, which -- and he pointed out that was not true. No, I haven't felt that. But I believe that any candidate -- he knows in a situation of this kind that he, being a member of this administration, is going to have his opponents attack him on the basis perhaps of being a carbon copy or rubber stamp, and he has to in the campaign establish his own identity and that he is his own man and I favor his doing that.

Q You don't agree with Jerry Brown then that Flournoy is <u>recycled</u> Reaganism?

A No, as a matter of fact I don't agree with <u>Jerry Brown on</u> almost anything, and certainly not in the lies, distortions and misstatements of fact that have characterized his advertisements. I know he's been running against me, and I find that his ads are pretty disgraceful in the things that -- their inaccuracies, and as I say, they are outright falsehoods.

Q What falsehood, Governor?

A What? Well, here is the ad about how much the Governor of California is paid and he makes it sound as if he -- lives at a Rockefeller level, and then he says -- and he grew up, of course, living on that same pay scale, or his family, and all the emoluments that go with the

-4-

office, but then he says == comes out with the fact that Hugh Flournoy wants a 20 per cent raise for the Governor. Now, Hugh Flournoy specifically, when the proposal was made in the legislature, it did not come from the executive branch, that there should be an increase in pay for constitutional officers, Hugh Flournoy specifically agreed with that program except that the Governor's office should be exempt and not get an increase impay. And that's one. If you want some others --

Q What about the <u>Governor's Mansion</u>, Governor? Jerry Brown says he won't live in the mansion. Do youthink it is prudent to go ahead with that?

A Yes, because I think it is being built for governors for a hundred years to come. And it has been a need for forty years. Now, here again, I think are some of his inaccuracies. He charges that the mansion is a Taj Mahal that is going to contain sauna baths and wine cellars and so forth. There is nothing of that kind in it. Now, he grew up in a house in which there was a wine cellar and a house that was 4,000 square feet bigger than the one that is being built, and that was provided by the people of California. This is another one of his inaccuracies. And I think the residence should go ahead and if he chooses not to live in it, well, fine, it will be just nice, brand new and spanking then if he should be the Governor, for the next Governor that comes along, but I'm hopeful that he doesn't have to make that decision.

Governor, what do you think would be a good <u>outcome for Republi-</u> <u>cans</u> next Tuesday and what do you think would be a bad out -- in other words, what would be the best Republicans could hope for and what would be maybe the worse they should feel, both in the state --

A I'd like to see the Governor win the constitutional offices. I would like to see them improve their position in both the Assembly and the Senate. I know that we can't achieve a majority in those houses. I think we can come so close in the Senate that we do have a checking power and certainly an upholding of veto power that we've had in these last several years, and that veto power has saved the people of California over \$16 billion dollars. I would like to see that. I know that at the national level, in the off-year elections, the party occupying the White House traditionally loses about two score seats. So I would like to see the Republicans do better than that. And lessen the majority and certainly keep Mr. Meany from getting his veto-proof

Congress.

Q Governor, what do you think thet <u>President Ford's visit</u> to the state tonight will be in light that Grand Rapids, Michigan, his own home town, had a great deal of mixed emotions about what he could or couldn't do for the party?

A Well, he's coming to California for a fundraiser, and there is no question that the Republicans have not been able to match the excessive contributions that our Democratic opponents have had. And we dont have any candidates who are getting a half a million dollars from two contributors. So he's speaking at a fundraising dinner and the tickets have been sold on that basis, and there is some pretty practical, good that's been done already. It'means that our candidates will be able to continue down to the wire. We have never been able tomatch our opponents in the flood of advertising they have. For example, Bill Bagley's opponent has just signed up for an additional \$150,000 in radio and T. V. ads. Which means that when the campaign is over and the accounting must then be made, after the election, we are dvidently going to find that someone has chunked a big sum of money into his opponent, that Bill can't match.

Q Governor, why does the President have to come in? You are the Governor, you've been popular. Isn't it enough for you to just stand up for these candidates in California?

A Well, I've been standing up for them. But also there is a little thing in show business that you know, how much of the people -how often are the people going to pay money to see reruns.

Q Are you speaking of yourself in that instance?

A Well ---

А

(Laughter)

A Well, I have done two statewide, very successful fundraisers in this campaign. I have done a number of smaller fundraisers for individual candidates for the Assembly and the Senate, for the Assembly and Senate caucuses. One each for at least all of our candidates in the constitutional offices in the Senate and there comes a point in which you are going to have another fundraiser, you bring in outside talent. Just as I myself have been outside talent in other states to the extent that I could wave the state.

Q Is that any reflection about how <u>difficult</u> the <u>election</u> is going to be <u>for Republicans</u>, you need the President to come in?

Oh, no, I think he's been campaigning extensively. I think

this is in a pattern, and again I'm not going to deny the fact that in the follow -- over the last two years there is a great apathy and affecting both parties, but for us it is worse because we are a minority party. We can't afford to have our people stay home. And all of us are doing our utmost to convince the Republicans to get out and go to the polls.

Q Do you care to comment about a statement you reportedly said yesterday that the lynch mob should be satisfied with <u>Richard Nixon's</u> turn for the worse?

A I made a remark that was overheard by the press privately to someone else, and what I actually said, and said for public dissemination and we I repeat, I was sasked my comment regarding the <u>health</u> condition of the former President, and I said I intended to pray for him. That I'd been doing, and intend to continue.

Q Governor, in that same context, do you think the President's critical illness will generate or elicit a sympathy response by Republicans in California, say, Tuesday?

A I have no way of knowing. I haven't even thought of this in connection with anything to do with the election. I just hope and pray for his family that he is shortly recovered from this.

Q Governor, talking about fundraising, do you have any balance left in any of your funds or your accounts from <u>fundraising</u> over the years and if so, what are you going to do with them?

A I don't think so. We've -- you are talking about the fund through the State Central Committee that has paid the expenses for my campaigning, so that the taxpayers don't have to pay for it? If there is anything left, it will just simply revert to the State Central Committee, because it is -- through their hands.

Q Governor, could you clarify once and for all where you stand on possibly a third party? Could you say is it a possibility or is it not a possibility for you in '76? Give us a yes or no on it.

A Ladies and Gentlemen, you had me in that hypothetical discussion here a couple of weeks ago, and I thought I was impervious to surprise any more, but I must confess to being quite surprised at the positiveness of your stories about what I thought was nothing more than hypothetical speculation on the general subject. And I have thus learned my lesson and I'm not going to join in any more such hypothetical discussions.

I am going to do my utmost for the Republican party and to convince as

many people as I can that this party and what it stands for is more in line with the opes and dreams and aspirations of the people of the United States than the cadership of the Democratic party, and that has been proven by an actual study.

Q Well, the talk of the third party, Governor, seems to be coming from Republicans in other parts of the country. They have been telling political columnists and newsletter people about this. Do you think it is wrong for them to speak out on the <u>third party</u> then?

A No, that's ---

Q That's where it comes from.

A If you want to ask them about that, you're going to ask them about that.

Q Governor, you as -- going around the country you mention you find a great deal of apathy on both parties and perhaps this is part of the problem of the <u>Republican party</u>. Wouldn't you term it more shame and disgrace for the <u>Republicans</u>, particularly across the country?

A No, even though there is a story in the Wall Street Journal this morning about a man who has said that the outcome of the election, if there is one, certainly will not be a mandate for any form of government, that it will be punitive, that there will be people who think that they are somehow being punitive about the whole recent affair by simply staying home and not voting. I think those people are -- haven't given a serious thought and they don't realize that you don't -- you don't cure a problem by sitting on the sidelines. Youget in and participate, if government by the people is going to work at all. I think the concern of everyone on both parties is an extremely low turnout and a lot of people just ignoring it. I, myself, believe that there is probably less of a shame element or anything of that kind in it than there is just an emotional exhaustion. An election year -- as I described before, is sort of like coming up to the big game and people have to get emotional] aroused. It is not an intellectual exercise, purely. People get whipped up to support of candidates and they want to go out and work for them and their cause, and support of a team spirit thing, and I think the last two years -- and if I put this in show business parlance, why, I should just have to do it. I think that we have emotionally exhausted them. We have hammered and hammered and hammered on a political theme that has dominated the news for virtually two years, and the epople just -- great numbers of them just cannot bring themselves up to getting

-8-

excited about more political activity. And this, I think , is the greatest danger and the greatest thing that's come out of the whole Watergate sessio..

Q Whose fault is that, the media's or is it the Republican party's? A I don't think it is the Republican party, I think it is a national problem.

Q Who brought it out? You said hammering, hammering, hammering. Are you talking about the media?

A Well, certainly, I think there has been an obsession with that that might be out of proportion to its actual news value in a world that is on the brink of war half the time, and that has even had wars during this particular period, and had this country participate in settling and stopping wars, then maybe there's been an overbalance.

Q To return to <u>President Ford's visit</u>, Flournoy has said that the visit, he thinks, will do more good in terms of fundraising than it will do in terms of persuading anybody. In other words, the implication being that the President's power of persuasion or credibility with the voters is not that high. He thinks in California -- he doesn't think anything the President said would convince them. Do you care to comment on this?

A There is a Gallup poll that shows the President's rating -- job rating has gone up in people's minds. No, if I could guess, and it is presumptuous of me to try and interpret through a third party what is supposed to be his view, and he's the one you should ask, but I think that probably he was saying what I said before, you realize that when someone comes and speaks at a -- at a fundraiser where the purpose of the meeting is to gather people to fund the campaign, so you, the candidates, can get to the voters, that's a little different than coming in to mass rallies in which the visitor, the speaker, is there aimed at winning votes. And in this particular instance the choice has been made. The President is coming to help secure campaign funds.

Q What do you think is Ford's credibility as a political spokesman or as a -- as a persuader, in those terms, in California?

A Well, I don't know. As I say, the polls indicate a majority of the people support or give him a favorable rating on the job he's doing. And the -- how much an office holder of any kind, be he President or Governor, or whatever, can do in transferring people's allegiances to vote for someone else, I think it's been proven too many times that -- that

-9-

you can't do that. That you can't transfer your support, for example, to someone else. You can do two things. You can help them get the means of attracting a crowd for them to convince the people of their You can help them raise money and you can discuss the candidacy. issues and in a campaign such as this, one where the -- one candidate has been so thoroughly dishonest, you can hopefully reveal to people his dishonesties and the claims that he has made. I happen to have here the scripts for the various ads that have been on because I've been so concerned about it. I'm concerned about candidate Brown's ad, for example, where he talks about how he has proven with the efficiencies in his office, as Secretary of State, and his economies that he is equipped to run the state. Well, here is a state government in which we have held a number of state employees virtually even for eight years. But he in the last four years has added 58 per cent, that's a 14 per cent a year increase in the number of employees, and a 121 per cent increase in his budget over a four year period. And you can go down through all of his ads, including the one where the man is claiming that he has the endorsement of the police forces in this state because he's a law and order candidate. And he is not a law and order candidate. And right now in Los Angeles policemen are signing petitions by the hundreds demanding the recall of their official -- their organization's official, who is on the air with that ad because the membership was never That a rank and file law enforcement do not feel that he is a polled. law and order candidate, they do not support views that are contrary to capital punishment, that would legalize marijuana; that would do some of the other things that he intends to do. So this -- anyone can be helpful in campaigning, is to reveal those falsehoods.

Q Governor, what do you think of the propriety of the generous gifts Mr. Rockefeller gave employees and friends?

A Well, now, that's going to be determined by the Congress and I'm sure that they will find out whatever purposes were served as to whether this is nothing more than generosity involved, or where that might reflect on someone holding public office and I feel it is like in a trial, I'm not going to comment while it is before those committees.

Q What about the propriety rather than the legality of it? Do you think it is proper to do something like that?

A Well, you can give a gift, if you've got_it, to anyone as long as you pay the gift tax on it. And apparently he paid the gift tax on

-10-

it.

Q So then you condone it?

A Now, you ask questions and then when my answers displease you, you attempt to pronounce an answer which you will then pick up your pen and write down in your notebook there. I didn't say that. I said that decision will be made by the Congressional committees. And we will be bound by their decisions and while it is before those committees I'm not going to comment.

Q Governor, you recently -- the Supreme Court of the United States has agreed to hear another case concerning banning <u>capital punishment</u> once and for all. They have had the '72 landmark decision which has put some pretty tight restrictions on it. How do you feel about the possibility?

Well, I hope that they don't -- I happen to be one who believes A and I might say sadly, I'm sorry, I remember writing a term paper opposing capital punishment myself at one stage of my education, and I have sadly come to believe that capital punishment is necessary. It is a deterrent and I hope that the Supreme Court does not make a decision -- they made one that I believe this state has complied with, that you must have specific crimes for that winidhannyxxanfxandyxanxxwexxxeiyhxix punishment and must be equal with regard to those who commit those crimes. Equal justice, and we met that with legislation. And I hope that's upheld. Governor, Alan Post recently has come out with a final fiscal 0 report in the current fiscal year showing that your final last budget is up to 10.4 billion dollars, which is 900 million above a year ago. And that's pretty much the biggest increase in any year that hasn't had a tax increase. How does that jibe with your cut, squeeze and trim, and your original budget which is about like 9.8 billion dollars?

A I tell you, one of the reasons it jibes is here again, such as back in 1970-71, when we had the economic dislocation that was called a recession, we've had some problems. There are some built-in factors of cost-of-living increases in some of our welfare programs that in spite of the great success of adding a couple of hundred million dollars of unexpected costs and we are not -- were not anticipated, but that is due purely to the runaway inflation that we have, we still are on cut, squeeze and trim and we still are going to leave the incoming governor a balanced budget, but there is a period in inflation in which for a time government enjoys a benefit, government begins to get the benefits from the increased prices and the increased salaries to meet inflation

through the sales and income tax. But then government's costs go up and suddenly you begin to get caught with the increased outgo. And in this year we have also had the economic dislocation that has accompanied this inflation. The increase in unemployment insurance, because of the increase in employment. The increase in -- I've said, in these welfare programs. But no, we're still well within the bounds. It is not going to be easy, it is going to be the continued struggle to try to maintain a balanced <u>budget</u>. It means there is no slack in there, in the coming year. But I think we've been -- we've been successful with our program.

Q Do you happen to know if that 10.4 billion would have fit within the ceiling in your Prop. 1 that failed?

A I think it would.

VERNE ORR: Governor, the last time we figured it, when the budget came down in June, it would. I have not completed figures since then.

A And if it didn't, this would come under the very provision that was in Proposition 1, that a natural disaster or an economic strain was provided for on a temporary basis. But I think -- I think it still would come within because we were well within the earlier -- before these last figures hit us, about these additional costs.

Q Governor, did you say there was some sort of study which <u>Republicans</u> are superior to the <u>Democrats</u>?

A Now, I'm glad you asked that. I hope that I'll see you all reach for your pencils and start writing, making notes.

I come by the -- the exercise that you do physically with your writing arms, I've come to know what I can expect to see as the outcome of these press conferences here, so why don't you just doodle anyway, while I'm talking, it makes me feel better. I'll think you are busy. Yes, there was a <u>scholastic study</u> made in the east of a 1972 election, and the <u>philosophical differences</u>. They took several of the key issues that are the ssues still confronting us in the country, and they have done a survey of the rank and file membership of the Democratic party, and what their views were on how to solve or resolve those problems. They then did a similar study of the delegates to the two national conventions and found that the delegates to the Republican national convention in almost identical percentage points were in agreement with the rank and file membership of the Democratic party as to how to solve the problems.

···· 12····

Q The Democrats?

A By contrast, the delegates to the Democratic national convention were at the opposite ends of the poll from the rank andfile membership of their party. Which probably explains why millions of democrats cross the party line in the greatest landslide we have ever known, and I think those issues still remain and those views still remain the same. Q Who made the study?

A This is an eastern university. I've got the notes, I'd have to look up which one. One of the eastern universities and this was a scholarly (tudy) it was not a pollster or anything doing it. And this study has been made a public -- in academia, circulated among political science authorities and professors, about this oddity. I could addone additional thing they learned, that within the Democratic convention there was a -- an even greater difference between the McGovern delegates and the other delegates. But all together they were totally out of step with the rank and file of the party. The McGovern delegates were more out of step with the rank and file of the party.

Q Did that study say anything about the selection process that perhaps caused that?

A I don't know. I've only seen this summary of the study. I haven't --

Q Governor, on that selection process, I want to ask you, do you personally favor for 1976 having the <u>Republican delegation</u> from California elected on a winner-take-all or proportional to the votes of the various candidates in that -- in that primary?

A Well, I happen to be one who's always believed in primaries and the winner take all idea.

Q Because Junderstand that you helped change a bill that was moving through that would have -- in this past session which would have made it strictly porportional representation, although the bill didn't --

VERNE ORR: That was a bill which affected, I think, only one party and only one election.

A I think so. I think this was a bill -- I think the Democrats --Q They got through -- one was stalled and the reason it was stalled was because you objected to pure proportional representation. But anyway, you do go for winner take all?

A Yes, I've always believed that.

-13-

Q How do you defend that against the charges that that doesn't reflect the total vote and people who might get like a 45-55 split, that sort of thing?

A Oh, I don't know, I just think that it's worked pretty satisfactorily in our system.

VOICE: Thank you, Governor.

1/7

į

NEWS CONFERENCE OF GOVERNOR RONALD REAGAN

HELD NOVEMBER 7, 1974

Reported by:

Beverly D. Toms, CSR

(This rough transcript of the Governor's News Conference is for the convenience of the News Corps only. Because of the need to get it to the News Corps. as rapidly as possible, no corrections are made and there is no guaranty of absolute accuracy.)

GOVERNOR REAGAN: Good morning.

Q Outside of that --

A What?

Q Outside of that, how did the week go?

A Well, it's been most pleasant. I'm getting over the Dodger defeat and series.

Q Governor, Mr. Flournoy yesterday said that if President Nix --President Ford had not pardoned Mr. Nixon that he might have won the governorship. I wonder what your thoughts are about that theory. A Oh, I don't know, anyone can analyze it any way they want to. I think the election obviously was -- that the whole atmosphere of Watergate was -- was involved and there wasn't any way to overcome it. Q Well, would you -- count that as a specific factor in the defeat, Governor?

A I haven't tried to analyze it, that way. I imagine that there will be second guessing on a lot of sides -- on all sides as to what could have happened and where things could have been different.

Q So you are not willing to say definitely that that was a major factor?

A Well, no, because I -- I didn't make any effort to figure it out that way. I just -- the vote was in, it was an extremely close race. You can look back and wonder if you had done this differently, if you'd done that differently, or what might have affected things.

Q What might you have done differently, Governor?

A What?

Q What would you have done differently?

A Well, the only thing I tried to do differently, I couldn't do, we couldn't get the time. And that was -- I would like to have participated to the extent of expressing some views on television.

-1-

You couldn't get the time, Governor, is that what you said?

A That's right.

Why not?

A We couldn't get the -- well because stations wouldn't sell it to us.

Q You said that you were disappointed but not disheartened by the <u>election results</u> but you still felt the Republican party is still the party of the future. Would you amplify that, why do you feel that's true?

Well, because I think in every poll that's taken reveals that A the party -- the Republican party is closer to the thinking of the people than is the Democratic party. The Republican party suffers from a long time flase imagery, false image that's been created about it, and yet when the polls come down without labels as to where do people stand on the major issues, you find that the solutions presented by Republicans or offered by Republicans are almost identical with the solutions the people themselves want, to the problems. And what our job has been, and I for many years -- I will be critical of the Republican party and tell you this, that for many years I've said the Republican party's failure has been one of communication. We have not overcome that image, let the people know this, and I think to some of you, whether we discussed it the last time we were in here or not, I mentioned -- yes, we did discuss -- I remember now, we did discuss the image of the study that has been made by political scientists at the Georgetown University of 1972, where they found that the leadership of the Republican party was almost identical in its views on the problems with the rank and file membership of the Democratic party, but we have not been able to communicate that to the Democratic party.

opinion Q Isn't the election the ultimate/pol1?

A The election is an ultimate opinion poll, yes. But in this particular election, and I say the whole thing was clouded by the affair <u>Watergate</u>, and I think the proof of that is that throughout the country, and you yourselves were writing to the effect that there seemed to be no great issues of concern to the people in this but the other proof of that was that some of the most liberal candidates who were victors in the Democratic side campaigned as the most diehard sounding conservatives. And I hope that that represents a

-2-

change. I hope that represents that they have become converted. There is a little cynical side of me that says that we will now wait to see whether the performance matches the promise.

2 Do you think Watergate --

Q -- the party is one of false images, Governor, how do you account for all of the Democratic victories in California <u>Tuesday</u>? Why did so many people <u>vote</u> so many Democrats into office?

Well, it was pretty near an even split in the ticket. There 14 were some races that were higher than others. I think you have to look atevery race as to the identification of the individual name value, whether one was better known. In politics, as we all know, one of the first hurdles that any candidate must overcome is the hurdle of getting name and face identification. Now, some of the candidates in the races had that. This is what an encumbent always has going for him. And there were -- it was a great return of incumbents to office contrary to what people had said, that there would be such disillusionment that that would not be the year of the incumbents. You look down the line and it was pretty much was the year of the incumbents. But there is an image, and I suppose it goes all the way back to the depression days, that the Republican party was tagged with that, in spite of the fact that the Republican President had been urging the very steps that were later taken by the New Deal before there was a stock crash. But that image has remained. And the truth of the matter is that the Republican party has been the out party, in spite of occupying the White House -- two Presidents occupying the White House, now three -- the Republican party has been the out party for almost four decades, that they have not had control of the Congress, just as we have not had control of the legislature here in the State of California.

Q Governor, are you saying that you think <u>Watergate</u> is the only reason the Republicans did so poorly?

A I think this is the big principal reason, yes.

Q now about the economy?

A What?

Q How about the state of the economy?

A Well, yes, you had an inflation thing. With the resentment Over the Watergate scandal this just added to it and people were aisgruntled and they had reason to be. We are -- to me, where the

-3-

failure in the imagery falls is that this inflation is the result of Democratic policies of a Democratic Congress and Senate that's been in power uninterrupted for the last twenty years. And the things that they did that have brought about inflation were opposed by the loyal opposition, the Republicans, who were in a minority in all these twenty years. Now, it is not just a political accusation. It is an absolute fact that the Democratic party subscribed to the new economics, a theory that said you can have an annual inflation rate and maintain prosperity, controlled inflation. And it is equally true that for years and years the opposition to this, and I was one of the speakers myself, long before I was in politics, claiming you could not -- that you could not control inflation and the entire history of economics in the world shows that every country that has tried to do it has happened to it what is happening today world-wide, runaway inflation. Now, again, lack of communications. The people resent inflation and I don't blame them. I resent it also. They have had hundreds of billions of dollars of their savings and their insurance policies literally stolen. Government by its policies might as well have gone into the vault and taken the money away from them, from their savings. The purchasing power that has been eroded from those savings. But all of that had been policies people like myself have opposed, but we weren't able to get that message across to the people and haven't been yet and we'd better darn well start trying to educate thepeople if we are going to cure inflation.

Q Governor, I wanted to clear one point, you said you couldn't get television time. That wasn't discrimination, was it? A On, no. No, no, we started late in the campaign with the idea and were just told there was no time available.

Q Governor, in the last few weeks of the <u>campaign</u> Governor-elect Brown was campaigning against recycled Reaganism. Do you think it is part a repudiation of your policies that elected him? A No, I don't. Because at the same time the things he was promising to do are the things we've been doing for the last eight years.

Q Like what?

A What?

Q Like what?

A Well, he was talking about new spirit, creative approach to government, which I thought just embodied in a creative society he was talking about economy in government, doing away with waste. It seems to me that for eight years I have been the target for everybody upstairs who objected to cut, squeeze and trim. And I hope that this is the policy he intends to follow.

Q Governor, if Watergate was a major factor in the Republican defeat, in hindsight do you think you could have <u>cut</u> your <u>losses</u> if you and other Republican leaders had not stood by President Nixon for so long or stayed on the fence so long?

A No, and I don't think there was any staying on the fence. I think there was a plain case of asking for the justice of proof of guilt and presumption of innocence. No, I think -- I think everyone did what they had to do and what they felt personally they had to do. Q In the last time --

A For example, I could give you an answer to that. We saw a man who was one of the first, a Republican in the east, a candidate for Governor, who jumped on the bandwagon for impeachment and everything else long before there was any evidence indicating that it was needed. And he was defeated in the primary and did not become a candidate for Governor.

Q Governor, could you asses for us, please, the impact on the Brown administration of his having the smallest margin of <u>victory</u> in what appears to be a Democratic landslide? That is, his relations with the legislature, heavily Democratic legislature. Do you think he might be inhibited or have less freedom to move than any Governor would like to have?

A Well, I think that this -- just based on my own experience I think that where they are going -- where it comes to a matter of point of difference between himself and the Democratic legislature, where they are unreconciled as to some approach to a problem, why, I'm sure that this will be -- will give strength to the legislators in their opposition. An overwhelming mandate is inclined to have them think twice and say, well, maybe we'd better go along with him based on the ote. I had that experience with the then Speaker of the Assembly the first time such a meeting took place in our office, and he very bluntly said to me, "I can count."

Q Governor, you are going to meet with the Governor-elect in about

-5-

an hour. What advice would you like to give him?

Well, what we are going to meet about, and I'll answer his Λ questions about that -- unsought advice, I don't think, is very -accomplishes very much. No, what this meeting is about, is to set up a program for the transfer. That as his schedule of appointments takes place, and he has appointees, that we can bring ther in. This has haver seen done before. And never been done before in the history of California, and that's why, again, based on my own experience eight years ago, I -- we put in the budget the fund for such a transfer and the legislature, I must say, in this instance bipartisanly implemented that and even added to it. And that was our -- our suggestion to them also. It was implementing legislation. And so now we will sitdown and in this interim period open up all the drawers and let them take office with complete knowledge of the state and what's going on. And then anything else that we can offer, any questions that they have, we certainly will answer.

Q Have you discovered any kind of truism that you found effective in serving as Governor of California you'd like to pass along to him? A Well, yes. But it isn't original with me. It is something that a very great industrialist in this country once answered when someone asked him the secret of his success. And he said, "I don't have any secrets for success." He said, "I have one formula for failure. Try to please everybody."

Q You said as he has appointees you might bring them in. What does this mean, we might have two people sitting over there as welfare director for a few weeks?

A Oh, no, no, but in other words, they will have an opportunity to come in and see -- remember that the great bulk of the machinery of government is ongoing and permanent. For example, we've got a department of 7,000 employees in one instance where there are only four exempt appointments that can be made. But now they will have an opportunity to find out how that machinery works, what's going on. And this, as I say -- this has never been done before. I think it will make for a better transmission. It will be better for the people of California.

Q Governor, will there be any plan to slow down on the <u>mansion</u> project in light of Mr. Brown's election?

A No, the legislature passed a bill to create such a residence.

-6-

And the money was -- the land was donated for that purpose and construction's already under way, and the contracts have been let. And it is a residence not for any one particular Governor, it is a residence for governors for on down through the years. For, I hope, a hundred years or more, depending on how well it is constructed. And any individual governor chooses not to use it, why, that's up to hm.

If he should decide to try to terminate the contract in O January it will be a lot more expensive to the state than if it were d one now?

A Not particularly. Contracts have all been let. This would require an act of the legislature to do it. I recognize there are sometimes forces and people in Sacramento that believe that the residence should not be a residence so much as a tourist attraction downtown. And I think that's unfair to anybody that occupies this

job.

Q

Q Governor, if some term appointments should be available between now and January, do you plan to fill them? Appointive offices that are term rather than at thepleasure of governor.

I don't know what the situation is on that. Most of those would A require Senate confirmation and they would therefore become pleasure appointments because I'm quite sure that the Senate would not -would not confirm them at this time. Governor

--- obviously we are not going to leave jobs open where А necessary work has to be done.

Governor, the last time we were in here we talked a little bit 0 about the possibility of a move to create a third party. Do you think in view of what happened Tuesday it added impetus to such move? No, and let me make it plain, that conversation when we were in here before, I think was somewhat -- it lost something in the translation. I am not starting a third party. I do not believe the Republican party is dead. I believe the Republican party represents basically the thinking of the people of this country. If we can get that message across to the people, I'm going to try to do that.

Governor, in line with that, this week's Newsweek says that you Q have libertarian leans which is a whimsical group of verse thinking people who don't like governmental services unless you pay for them and are against all kinds of _critics _ against victimless crimes.

-7-
Do you feel that way?

A Now, that is your interpretation.

Q That's Newsweek's.

Libertarianism, the only comments I have made on that is I А have thought the very basis of conservatism is libertarianism. Now, that is libertarianism not specified down to whether you want to carry your own letters or not instead of having a postal service. Libertarianism is what I think was in the mids of the writers of the Constitution of the United States, that the basic principal of this country differing from all others that I know has been the ultimate. The individual's liberty consistent with an orderly society and this is the goal that I think, -- very frankly this is the philosophical difference between the leadership of the Democratic party and our own party today. That that leadership no longer belives in that goal or believes in the ability of the people to have that much control of their own destinies. They believe only government can solve the many complicated problems facing us today. Now, that does not mean that I subscribe to the doctrine of any group that may call themselves-you know, you can -- libertarianism taken too far is anarchy. Just as the welfare state taken too far the other way is total authoritarianism. Totalitarianism.

Q Governor, how do you personally feel about the prospect in two months of walking out of here and seeing someone walk in who is going to change quite a bit of whatyou've left here as far as personnel, he's going to be signing a lot of bills you vetoed, a lot of what you've done is going to be really wiped out. How does that look to you? How do you feel about that?

A Well, this is something that faces anyone who holds this office. There is no one that can come in and in a few years pin down government to his philosophy. People are going to come along and government is changed by statute just as we changed many things that we found here. I think for the better. I do know this, and I think the Governorelect has expressed this yesterday, nowthat the campaign is over he has already expressed his own recognition that the problems are not easy. They are extremely difficult, and that it requires a great deal of hard work. And I hope he approaches it in that manner. Now, I don't know, that maybe -- I'm quite sure there is still room for improvement. We didn't do all the things we wanted to do. Didn't

get them done. Maybe he has a better chance with having a legislature of his own persuasion. My only concern there is that that same legislature is the one that blocked a great many of -- or attempted to, of the reforms we wanted and advocated spending measures that would have taken this state into a great fiscal irresponsibility.

Q Governor, do you think the <u>Republican defeats Tuesday</u> will result in an erosion of GOP support for President Ford, making it more difficult for him to pin the Presidential nomination in '76?

A I don't see anything in the election that could have brought that about. I think the President has done what he had to do with regard to the campaign, if that's what you are referring to. For one thing, I think it has to be recognized -- I've already seen the observations that -- well, the President went out campaigning and we till lost. Has this hurt his prestige? I think an observation that ought to be made is that the President deliberately went into those areas and campaigned for candidates who were in trouble. He didn't just go out and grandstand by showing up with the guy who was going to be a sure winner. He tried to help somebody that he knew was losing when he went in there and I think that's -- that's to be respected.

Q Governor, there is a constitutional limit on the terms a President can serve and you have adopted that same limit on your own incumbency. There's a fellow going around the country saying that <u>legislators</u> should be <u>limited to two terms</u>, too. What do you think about that?

Oh, I've seen other proposals. I've seen a proposal by a A Republican that there ought to be an age 65 limit on legislators and Congressmen. It isn't all that simple. Because we look back at the record of some very great statesmen who made a career out of government and who stayed in the Congress of the Senate and made great contribution I think of one who happens to be a Republican down through the years. I could think of some Democrats also. But I think of Senator John Williams of Deleware who even the Democrats called the Conscience of th Senate, who is a great authority on fiscal problems confronting in the Senate. Finally retired. But you wonder what we would have lost had he been forced out of office at the end of two terms. I think the Executive Branch is far different. A legislator is one of a large group and there is give and take and compromise that has to take place

-9-

in a legislative body. The <u>Executive Branch</u> is the one, and I think this was suspected, or was taken into consideration in the decision about the Presidency, where a person can build up, if he sets out to do so, a machine. And I have not regretted -- I'm going to miss very much, I have enjoyed this very much -- I'm going to miss very much this job. But I have not changed my mind about the belief that I was absolutely right, <u>two terms</u> is enough and I still wish that we had been able to persuade the legislature as we tried to my first term, that this should be made official in the State of California. As a matter of fact, the people in their wisdom have indicated they must feel this way because there have only been two governors, I believe, in California's history who served more than two terms. I might be wrong on that by one.

Q One.

1

A I thought there was one before him.

Q No, not that I know of.

A Well, I'll take your word for it. I thought there had been a reference to a second one. So I say the people themselves seem to recognize this.

Q What are you going to miss, sir?

A What?

Q What are you going to miss?

Q This.

Q Besides us.

A As I say, won't you drop by the house. Well, --(Laughter)

A No, I think the challenge of this, and I think the very fact of being where the action is and where the problems are, of being able to confront them and try to do something about them, instead of just standing on the street corner saying, "Somebody ought to do somthing," yes, that's -- I think anyone who's ever held this job is going to -must miss that very much.

Q Governor, Evelle Younger will be the only remaining Republican occupying statewide elective office. Does that in your mind thrust upon him the special responsibility for leadership in the California Republican party?

A Well, I think that anyone who holds anoffice in the party is a part of the leadership of that party. And obviously special attention

-10-

to him. Maybe we ought to declare Thursdays visiting day and have a relay of Republican visitors to see him all the time so he won't get too lonely. No, but I think he's a part of the headership and has been of the party but I think that also holds true of -- I think that holds true of your candidates, even though defeated.

Q Governor, are you going to ask to be a delegate to the <u>'76</u> <u>Republican convention and would you</u> ead the <u>delegation?</u>

A Haven't thought that far ahead. As I understand, we have a new situation now in which with the open primary here the candidates themselves must choose or name the delegate.

Q Would you be one, though, if someone asked you?

A What?

Q Would you be one if someone asked you to be a delegate on his slate?

A If it was the right person.

Q Who would that --

A Well, I mean somebody I supported.

Q Governor, do you see a <u>leadership role for yourself</u> in the <u>Republican party</u> in California <u>after you leave office</u>?

A leader or anything like that?

Oh, I think -- I think that -- and this is true in any political A party, unless you want to walk away from it and say, well, that's all, I'm through with that side of my life -- no, I think that anyone who's this held/office is a part of that same leadership. But I think there is one thing -- let's make plain when we are talking about leadership we are talking about people who participate, people who are willing to serve, to sit at the council table and help evolve policy. But in California more than any other state I know, you do not have a leader who sits in a room and makes decisions affecting the party. Now a lot of easterners haven't been able to understand this and that's why they like to make fun of California politics. The truth of the matter is California politics are closer to the ideal of this nation than are those other states where someone in a room decides who the candidates will be.

---000----

Q Thank you, Governor.

A We'll keep it that way.

Q Thank you, Governor.



NEWS CONFERENCE OF GOVERNOR RONALD REAGAN HELD NOVEMBER 12, 1974

Reported by:

Beverly D. Toms, CSR

(This rough transcript of the Governor's News Conference is furnished to the members of the Capitol Press Corps. only. Because of the need to get it to the News Corps. as quickly as possible, no corrections are made and there is no guaranty of absolute accuracy.)

(Governor Reagan Read News Release No. 657.) GOVERNOR REAGAN: Mr. Payne.

MR. PAYNE: On behalf of the Environmental Protection Agency --(Whereupon Robert Payne, General Johnson and Win Adams read prepared statements.) (Answers given by Governor Reagan unless otherwise noted.)

GOVERNOR REAGAN: All right, if you have any questions of these gentlemen.

Q I'm not quite clear on the origin of this. Did it originate with the EPA or the --

MR. PAYNE: The EPA is sponsoring the over-all survey, yes. It is part of a national program that involves all state <u>environmental</u> agencies and the National Guard as well.

Q In other words, you are talking in terms of a national EPA program and we are getting from these people the details of the California --

MR. PAYNE: That's correct.

Q -- segment of the program?

MR. ADAMS: You know, this fits into our <u>statewide monitor</u> program.

Q Yes.

MR. ADAMS: That we have.

Q Why isn't the Delta being monitored as one of the sites? Am I mistaken on that?

MR. ADAMS: The Delta, no, this is a lakes program. That is not a part of this. The Delta is not a classified lake.

Q Well --

MR. ADAMS: There is a monitoring program in the Delta conducted by two federal agencies and two state agencies.

Q It is a large body of water.

-1-

MR. ADAMS: Yes.

Q Doesn't it fit in -- maybe in the same classification?

MR. ADAMS: Delta -- remember in Decision 1379 over two years ago, we set up a monitoring program in the Delta and it is operated by the U. S. Bureau and by the Department of Water Resources, Fish and Game and ourselves.

Q Clear Lake is one of the lakes that's had a lot of problems in the past, but it is not on your list. Why wasn't it included for study?

MR. PAYNE: I think one of the major reasons that Clear Lake is not included in a study is that a great deal of information does exist on Clear Lake already. And as a research effort, one of the things that we'd like to avoid, except for control purposes on a limited number of lakes, is duplication of effort. This is why Tahoe is included and Clear Lake is not included. We're using Tahoe as a control.

Q Mr. Payne, is this study in any way related to the EPA's study of cancer-producing elements in drinking water?

MR. PAYNE: In no way at all.

Q 0. K.

Q Could I ask about the budget. National government -- it is going to cost somebody some money. How much is it going to cost and over what period of time?

MR. PAYNE: This is part of a national program that's being conducted on, say, 300 lakes nationwide, over a five year period. *Converted mental mental mental*) EPA's involvement in the program will equate to roughly \$10,000 for each lake that's included, or \$8 million dollars over a five-year period.

Q What about the National Guard? MR. PAYNE: The National Guard is a volunteer involvement. General

Johnson may want to reflect on that voluntary participation.

GENERAL JOHNSON: Most of the National Guardsmen will be in a drill status, which is a pay status, which is federal funding.

Q Will there be any extra --

GENERAL JOHNSON: No, there will be no extra National Guard costs.

Q Well, the helicopters, somebody's got to pay for that.

-2-

MR. PAYNE: The helicopters are loaned by the Department of Defense to EPA and are operated out of one of our research laboratories. They are part of the figure I gave you.

Q Is it possible that in the future this information could be used to ever suggest a slowdown or halt of development around these lakes?

MR. PAYNE: One can reflect on a great deal of possibilities certainly. I would not want to suggest that this type of information would directly lead to that type of policy decision. At the conclusion of the survey the results will be formulated into comprehensive reports of findings, research findings on each lake. These will be provided to the state for use in ongoing management, water quality management programs.

ill this information be helpful in agencies and governments who are concerned about developing --

MR. PAYNE: A It certainly would be, in the long run. If there is any contributing factors due to development or due to any factors, hopefully we'll be able to uncover a bit more information to better deal with any problems associated with that development.

Q Does EPA have any plans to do anything with the data developed other than turn it over to the state? Does EPA plan to set up a program of its own? MR. PAYNE:

A Well, this is part of our ongoing water quality investigatory process, certainly. We plan to utilize the information indealing with the lake problem nationally. It goes beyond that because we're including in the investigation information on waste treatment plants, just through the sampling program, as well as non-point source inputs to lakes. This information can be used in developing a better understanding, better policies to control any runaway situations that may exist.

Q But you don't have any program at this point that -- that this data is feeding toward? MR. PAYNE:

A It feeds into several programs. One of the programs that's in the planning stages right now is a clean lakes effort in future years. In other words, moving on to a lake restoration program in conjunction with the states' environmental agencies.

Q Is this a one-time effort on the part of the Guard or is this

-3-

going to have follow-ups?

GENERAL JOHNSON: The program is set up to run for one year. Q Several studies? Several surveys during that year?

NR. PAYNE: They'll be sampling monthly for the duration of the study in California. In addition they'll be taking special samples during the spring thaw period so we can better assess land runoff during that period.

y Is it a five-year program nationally but only one year in California?

MR. PAYNE: Well, one year of actual sampling and then beyond that the evaluation process and the development of final reports will come to a conclusion about the end of 1976.

Q When will the first report on California lakes be out, in a year? Four years?

MR. PAYNE: In about two years from the time it starts, which is now.

Q General Johnson, how many guardsmen are to be involved in this, physically sampling?

GINERAL JOHNSON: 28 -- there are fourteen teams of two men each, it is 28 men.

GOVERNOR REAGAN: Any other questions?

Q How specifically -- I haven't had an opportunity to look at this thing in detail, but are any of these remote lakes -- apparently most of them are -- just quickly glancing over, they are easily accessible and reasonably close to population centers or industrial centers or what have you.

MR. PAYNE: Not all of them, there are several lakes in the Sierra area. I believe you'll find five or six in Mono County, for example, that are in some of the high country. In order to deal effectively with any lake problem, you need representative lakes that are really clean as well as those that may be -- indeed be threatened. Q Shaver is very high, of course.

Q New subject?

Q Well, what -- how will the Guardsmen -- I assume Shaver Lake, for example, will go from Fresno. And what's the significance of the helicopter? These are not particularly remote lakes. I mean why couldn't the guys from Fresno go out in a rowboat and haul up some pailsfull of water or something? NR. PAYME: Well if it were that simple it would be an easy program, very definitely. We're using helicopters for one reason. We are, as I mentioned, examining some 800 lakes nationwide. Next year our nelicopter teams will be working in ten states. Or, excuse me, eleven states, simultaneously. From Arizona, New Mexico and California north to Washington, Idaho, Montana. So it is pretty big block of real estate, and we need the mobility to sample all of those lakes in a uniform manner. This is why we utilize helicopters. Q Well, will these teams that the General referred to in some instances be transported in the helicopter or --

GENERAL JOHNSON: No, they are only sampling the tributary streams, not the lakes.

Q Oh, I see, and the helicopters will be sampling - GENERAL JOHNSON: Lake samples.
Q -- sampling the lakes themselves.

Q New subject. GOVERNOR REAGAN: Wait a minute. VOICE: Any more questions on this?

GOVERNOR REAGAN: Are you all through with this? Well, then let me remind you again, outside at the pond, out there through my window -- I was seeing the military out there earlier. I didn't know--I told them I didn't know whether they were trying to get trout for lunch or what. I didn't realize they were part of this particular press conference that we're going to have, but there will be a demonstration and I urge you all to go out there and cover it now for a few minutes, however. While getting there if you have some o ther questions --

Q Governor, you had a <u>meeting with President Ford Halloween night</u> in Los Angeles. I wonder if you can describe for us what may have transpired during that meeting andwhether you can tell us whether your ties with the Presidenthave been strengthened as a result of that meeting, and whether you expect to have increased -- there to be increased consultations between you and the President.

A Well, actually, I don't think there seems to be any need for strengthening, although there have been some people that have suggested otherwise, and most of that was kind of dreamed up, as I repeatedly said, in answer to previous questions. I only met -- he was out here for the purposes of speaking at that fundraising dinner, and we had a brief meeting and simply touched base on some matters affecting state and -- and the federal government. And that was -- that was the extent of it. It was a cordial meeting and I'm sure we are going to have the cooperation, but then I've always been sure we are going to have cooperation.

Q Governor, on your October 15 press conference here you said you didn't know whether this might be one of those periods in time when, according to you, the confidence of people could be restored perhaps by changing name or something -- you said you don't know, you really didn't know. Now, you seem to be saying you do know that a third party is not the answer, that all the answers are -- will you tell us which way you know today?

I'm going to say the same things that I said in that October A And I think -- I think it is all right for me to say them meeting. because I think that they were not in all instances properly balanced in their presentation. I think you'll find a number of times that I said.I believed that the main task should be, and that I was interested in revitalizing and thought we should revitalize the two parties that have served us well. So I've changed my thinking on that. The other was kind of a hypothetical discussion, we got into that morning, as to whether there was a change because you, yourself, had brought up the idea and the evidence in your questionings of people's lack of interest or onthasiasm for both parties. Now, there is no question, the last election reveals that there was a low turnout and that a great many people didn't bother to vote on either side. I think this is regrettable. I still say what I said then, I am not out to start a third party. I told you then, I didn't know any more than you knew as to whether there was such a -- whether this was one of those moments when the people would make some changes. I'm going to do my utmost to convince as many people as possible that the Republican party on any objective analysis anyone wants to make is more in tune with the thinking of the majority of the American people than is the other major party or either of the splinter parties that started up.

Q Governor, do you think that that hypothetical discussion which occurred in October peaked maybe the President's interest in talking to you?

No, we were -- he was scheduled to be out here and we were
scheduled to meet long before that. No, I don't -- I don't think so.
Q Did he ask you about it?

-6-

A No. He knew better and he knew that I wasn't starting another party.

Q Did you talk about the condition of the Republican party in any way?

A Oh, we compared notes on our travels around and what the problems were. We were both agreed, the main problem was to get a turnout. That there was going to be a low turnout at the polls.

Q Governor, was there any discussion of your possibly taking a job in the Ford administration?

A Nope, never came up.

Q And your position on that, you would not be interested in that? A No.

Q You would not be interested?

A No. Yes, I would not be interested. (Laughter)

Q Governor, you say --

Q Can we stay on that subject for a moment? Didn't you --

A Are you on this subject, too?

Q I'm not, but go ahead.

Q Didn't you indicate before that you'd be willing to serve as kind of a troubleshooter for President Nixon internationally if he felt like using you that way?

A That came about first from a request from him. I would still be available for anything in which I could do to help. I just -- I'm not interested in a Washington job.

Q Roving Ambassador kind of thing.

A Any time that I can be of help, as I was on four separate occasions in the -- for the previous President, that would be -- I'd be delighted.

Q Governor, you mentioned that you thought the Republican party was still the most party in tune with the people. Don't the <u>election</u> <u>results</u> last Tuesday indicate otherwise?

A No, the election results last Tuesday reflect the fact that the Republican party's greatest failure over the years, and I say this as a former Democrat who's seen them from outside as well as inside, is a lack of communication. There is a false imagery that still exists even in some Republican's minds about the party. And I believe the time has come for our party in non-election years, because I think this is the time when most people will pay attention without accepting things as campaign dialogue -- I think this is the time for an education program as to what we really represent and what we stand for.

Q How has the party been misrepresented?

A What?

Q How has the party been misrepresented?

A Oh, I think the image that is usually portrayed, the party of the rich. And that I have repeatedly in mycampaigning given some statistics that indicate that that is far from the truth. For example, for the last twenty-five years the <u>Republican party</u> has outnumbered the Democratic party five to one in small contributions. 75 per cent of Republican campaign funding for more than twenty-five years has come from small contributors. Any Republican gathering is usually portrayed or hinted at, and most people have an image in their mind that everyone is there in white tie and tails and drinking champagne and eating caviar and the truth of the matter is the rank and file of the Republican party is a pretty good cross-section of America.

Q Governor, what kind of an education system do you have in mind, Governor, to spread the word?

A Well, as I told you many times, I intend to do not only some writing, but using the media and to use -- to be speaking out nationally on more philosophical lines. Perhaps not actually using the party label, but on the -- the danger today to free enterprise. The things that need to be done if we're going to maintain this system of ours. But frankly, I'm going to talk to our own Republicans here about the need for what I think is a modern merchandising campaign as to what the product is we're really selling.

Q Could that merchandising campaign in education be any attempt to rebuild the party after what it suffered because of Watergate?

A Well, I think it is just the same as it was a case of rebuilding after the terrific defeat in 1964. Certainly it is to revive the interest of those who are Republicans into participating in their party, but it is also to reveal to a great rank and file body of Democrats who couldn't support their party's leadership two years ago, that the things that made them cross the line then still exist today.

Q Governor, how do you expect the American people to have confidence

in the <u>Republican party</u> whose President and Vice-President had to resign in disgrace?

Well, because they have resigned. I don't think that anything A that took place in Watergate was a reflection on the Republican party. I don't think the Republican party had anything to do with it. Now, if you want to go down the line and start looking back through history for malefactors on the other side, in the other party, I'll guarantee -- and I haven't made a count as yet, that they outnumber But remember, for most of my life I was a Democrat and I finally us. got tired of swallowing hard over Haig machines and Kelly-Naggs mchines in Chicago, Pendergast machines out in Kansas, the outright stealing of hundreds of thousands of votes in every election, enough to carry elections. It is not a pretty picture and one of the only things that makes me hesitate to talk about it is I think the American people are discouraged enough with the political process without reminding them of some of the horrors of the past. But a lot of men have gotten rich in politics who were members of the Democratic party.

Q Are you just as upset of what went on during the last years of the Nixon administration?

A I have repeatedly said to you, I consider it an illegal and an immoral and an incredibly stupid act, the thing called Watergate. Q Governor, a great admirer of yours, William Buckley said he would support a Reagan-Wallace third party ticket. Aren't you influenced by that kind of thinking and public discussion?

A No, I'm very fond of Bill Buckley, but I'm not influenced by that kind of thing.

Q Is that totally inconceivable to you?

A Yeş, he's a Democrat and I'm a Republican. And I think we have philosophical differences.

Q Governor, you mentioned on your trips around the country in the future that you would not actually use the party label. How would you present your case?

A Oh, no, what I meant to say there, let me make that plain, that this speaking is -- that I'm planning on is more directed at the philosophical issues and particularly in the area of free enterprise and what I see as some erosions of free enterprise today that has made us non-competitive in the world scene, and that's going to be the bulk of it. I, of course, on my own on the side am going to continue as I can to do my party chores, also. I think, however, that talking that philosophy does have a bearing because, again, the one party is much closer to that philosophy.

Q Governor, there is talk about establishing some kind of a foundation to employ you so you can continue to have an income in the next couple of years. Has that been finalized yet?

A No, you mean like some separate foundation to -- no. This is --I'm looking in different directions than that.

Q Do you mind telling us about what your plans for income are? A Well, the situation is too fluid yet. But there won't be any secret about it.

Q What are some of your <u>philosophical differences with George</u> <u>Wallace?</u>

A Oh, I don't think that -- I don't think that he has the -- well, I think he's more of a populist, and I think he has a greater willingness to employ government where I am looking for more solutions to the problems at the private level and private sector. You are all -- you know, you are all missing the big thing out at the pond if you don't get out there.

Q You mentioned you are going to continue your <u>party chores</u>. Will you take an active role in the selection of a new Chairman and Vice-Chairman for the new State Central Committee for the next year? A You know, I've been neutral all these years in that particular thing. I don't know what the situation will be, whether there is anything to bring me to change.

Q Are you at this point supporting Lieutenant Governor Harmer for the Vice-Chairman position?

A I don't know just what the situation is, yet. Who all is going to be involved in that.

Q You haven't committed to him?

A No.

Q Governor, Congressman Anderson of Illinois, the Caucus Chairman of the House has suggested that the party needs to move more towards the center if it is going to attract Democrats. You seem to take an opposite position on that.

A I think that the party needs to state to the people once and for all clearly what it represents, what it stands for. And then

-10-

having raised that banner, to rally around it and attract those others that like the colors of that banner. I do not believe that for votegetting purposes you go out and vitiate, water down your true philosophical believe in order to persuade someone to vote for you. The Democrats have been doing things like that for years and that's why they have got a wierd coalition that can't enjoy itself in one room together.

Gevernor, do you think that Mr. Flournoy could have done better if he had been more specific on the things he believed in?

A Oh, I don't want to criticize someone else's <u>campaign</u>. I'm sure he campaigned in what he believed andhe came very close in the election. It would have only taken a few thousand votes to turn it around. So --Q Would you have done it differently?

A What?

Q Would you have done it differently?

A I think everyone -- every candidate would do his campaigning in his own way. So, yes, I would do it differently.

Q Do you concur with Mr. Flournoy that the Nixon pardon was what led to his downfall in the <u>election</u>?

A I don't -- I've no analysis to bear that out. I know there was a feeling that suddenly in this wave, this rising up again of the whole thing, Watergate, which seemed to have been quenched, did kind of interfere with what might have been a momentum on the part of the Republican party.

Q Governor, have you decided what to do with your official papers, who's going to get them and so forth after you leave office?

A We are still working on that, andputting them together.

Q You havent decided who they will go to, is that it?

A No.

When you say "wierd coalition" are you talking about the <u>Democrats</u>
in constitutional office now, after this one election Tuesday?
A Oh, no, I was talking about nationally, the whole Democratic

coalition back through the years. Normally they -- they could find enough pleasing to each various segments in their coalition that they sould get something out of it, butwhere at election time they could swallow the resentment, perhaps, of other groups and come together. And lately one faction more than the other seems to have been dominant since 1972, and the result is that the coalition is -- is spread further apart and they are having their problems of getting them together. And it is a wherd coalition. There are people whose aims and goals, as I said in here last week, are so in line with the Republican thinking that it makes you wonder how they can continue to wear the label "Democrat". VOICE: Thank you, Governor.