

January 29, 1980

Office of the White House Press Secretary

THE WHITE HOUSE

Meeting with the President  
and  
Non-Washington Editors and News Directors

The Cabinet Room

(AT 2:02 P.M. EST)

THE PRESIDENT: First of all, let me welcome you to the White House. I know you have had a good briefing this morning and have some more scheduled for this afternoon. The most important thing, I think, that has happened in the last two days has been my submission to the Congress of a very tight budget for fiscal year 1981. This is a budget that cuts the deficit substantially, 75 percent below what it was when I was elected President. As a matter of fact, when I came into office the deficit was about 4.6 percent of the gross national product, and the 1981 fiscal year budget has reduced that 4.6 percent down to six-tenths of one percent.

This has been in spite of severe pressures to continue wasteful spending in our country. As a matter of fact, the House is now considering a very wasteful inflationary pork barrel water projects bill which would cost the taxpayers about \$4.3 billion, and include about 125 water projects that are not needed in my opinion; the total value of which would be about \$2.5 billion. Many of these projects have not even been assessed by either the Department of Interior or by the Corps of Engineers. They have just been added in to build up a very large and wasteful bill that has projects covering about 70 percent of all the congressional districts in the nation.

This is a bill that also opens up a Pandora's box for possible wasteful spending in the future because it includes complete federal financing, for instance, for our local water systems. This is something that has always in the past been the responsibility of local governments with some federal assistance. This could cost about \$10 billion more in the future if it establishes a precedent.

I intend to oppose these kinds of threats to our federal budget, and believe that we have an attitude in our nation that will support my position on these restrictive spending measures. The budget does include adequate financing for defense. It includes a very

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Congress will consider it rapidly. But I think that that outline is probably adequate for the present time. Yes sir?

MR. MILLETT: Last week TVA Chairman Dave Freeman urged all TVA employees, including the directors, to continue their long tradition of avoiding partisan politics. He was answered the next day by Director Bob Clements, who endorsed you. Both of them are your appointees. Do you have any comments?

THE PRESIDENT: No. I think it would be ill-advised to get the TVA involved in partisan politics. It just happens that all three members now have been appointed by me. They were not chosen, as you know, on a political basis. I think they are all qualified persons. We have tried to work very closely with TVA. In fact, just recently, Doug Costle, Director of the Environmental Protection Agency, went down to meet with Dave Freeman and others to work out for the future a better means by which the TVA could not only provide necessary services for an entire region of the nation, including where I live, but also could set an example for conservation efforts and also for the honoring of requirements on the protection of the quality of air and water.

But I think it would be better for the TVA to avoid any involvement in partisan politics. Yes, ma'am?

MS. THORNTON: In response to your State of the Union address last week, on the CIA: do you think Congress is going to be willing to revamp their reporting role in light of the recent circumstances?

THE PRESIDENT: Yes, I think so. We obviously don't want to wipe out all restraints on the intelligence agencies. We want to be accountable, not only to the Congress but to the American people. Obviously I have to have the ultimate responsibility for any violations of propriety that might be threatened by the intelligence agencies. But I think there has been an excessive requirement for reporting in the past. There has been an excessive requirement for the revelation of highly-sensitive documents. And there has been an excessive restraint on what the CIA and other intelligence groups could do.

But we will be very cautious, as we evolve this new charter, not to permit any improprieties by the CIA in the future. The Executive Order that I issued after I had been in office for about a year or so, is the basis for the kind of charter principles that we personally favor. I will be meeting, by the way, with the

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Intelligence Committee members tomorrow, some of them, to iron out any remaining differences of opinion between my own Administration and the Congress. But I think there is a fairly good meeting of the minds already on what originally seemed to be some very sharp divisions of opinion. Yes sir?

MR. NEAL: Mr. President, in view of our having drawn the line, so to speak, in the Middle East, can you reassure us, everyone in the nation, that we do indeed have what it takes militarily to draw that line and to make it stick?

THE PRESIDENT: Yes, we can protect our interests there. Obviously we don't intend, and never have claimed to have the ability unilaterally to defeat any threat to that region with ease. What we called for was an analysis by all of those nations who are there who might be threatened. We will cooperate with them as they request and as they desire, to strengthen their own defense capabilities.

Secondly, we will be coordinating our efforts with nations who are not located in the region but who are heavily dependent, even more than we are, on an uninterrupted supply of oil from that region. Third, we will be arousing the consciousness of the other nations in the world to condemn any threat to the peace of that region. And the last thing is that we will be increasing both our own military capability and our own military presence in the region surrounding southwest Asia, the Persian Gulf and the Middle East.

But I don't think it would be accurate for me to claim that at this time, or in the future, we expect to have enough military strength and enough military presence there to defend the region unilaterally, absent the kind of cooperation that I have described to you. Yes sir?

MR. CHILES: Mr. President, we have heard Mr. Aaron: he spoke of the Persian Gulf area, and he spoke of sacrifices that the American public is going to be called on to make in the long-term future. Can you enumerate any of those sacrifices?

THE PRESIDENT: What kind of channels did you say? I couldn't quite hear you.

MR. CHILES: The challenge to the American people --

THE PRESIDENT: Well, I think the sacrifices have already been delineated fairly well by me. It will require some commitment to an increased defense capability. It will require Americans to help

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