Official White House Transcript

of

PRESIDENT EISENHOWER'S PRESS AND RADIO CONFERENCE #56

Held in Room #474 Executive Office Building
Wednesday, December 15, 1954
At 10.30 a.m., e.s.t.

This Copy For:- The President

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THE PRESIDENT: Please be seated. Good morning.

I suppose you would expect me to mention that this is Safe Driving Day, and I am really hoping for the very best.

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I was notified there was a petition on the way to my desk -- somewhere in the mailroom -- 20 thousand people in one city offering their cooperation. I certainly hope it is effective, not only in that city but everywhere.

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I should like to mention briefly the great satisfaction that the Administration and I take -- and I am sure the whole American people do -- in the visit of the Shah to our country -- of the Shah of Iran, with his lovely wife.

You know a matter of a year and a half ago how badly things were going in Iran. From the standpoint of the Western world, it looked like Iran was on the way to becoming another of the so called satellites.

So this meeting seems to have not only significance in itself, but as symbolizing a great contrast in the conditions, at least in that country, between a year and a half ago -- or 16 months ago -- and today. It is a matter of great satisfaction to us.

That's all I have. We will go to questions.

Q. Mr. President, Smith of the United Press. We have heard something of this from other sources, but we wondered if you could tell us about the reasons, and your plans, to ask Congress to postpone the corporation and excise tax reductions next year?

THE PRESIDENT: Well it is a very simple process. As I have told you before, the financial affairs of the government are really very complicated, and they have numbers of unknown factors. One of them is expenditures and what they are going to be, which always have to be estimated in advance. The other is income. And the other, of course, is the deficit and its effect on the value of the dollar, which introduces a very definitely variable factor.

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Now this Administration has been very much in favor, as you know, of extending such things as social security coverage and unemployment coverage, and all that sort of thing. Now there are two reasons for that -- or there are three reasons. One, of course, is the humanitarian, and giving to these people a feeling of security and confidence. Two, the added stability you get in times of recession, to keep up the incomes of the mass of people and keep up their purchasing power. But three, all of this falls by the board unless your money stays stable. A pension plan is worth nothing if you pay for it in dollars that are now worth one hundred cents, and finally you draw it down in terms of two-cent dollars.

So this whole business of the financial affairs of the country has to take all of these things into account simultaneously. Now, to lower taxes, you first must lower expenditures, and we have cut expenditures, as I think you will see when the figures finally come out, to what we consider the safe minimum.

But if you still have a deficit that begins to loom up as having real effect on the value of your dollars, then you must keep your taxable income. And that taxable income, as we see it now forecast, will require the continuation of the 5 percent extra on the corporations and the excise taxes as they now stand. Of course, they were already reduced last year. That takes postive action on the part of the Congress, because they are due to expire -- those two taxes -- as you know, on April first, I believe it is.

So it is merely a question of keeping all of these matters in balance, as we see it, to the good of the whole country.

Q. (Brandt, St. Louis Post-Dispatch) Mr. President, will you ask a one-year extension, sir, or two or three years, on these taxes?

THE PRESIDENT: I don't believe that the point has been discussed in detail. I had thought of it in terms of one year, but it may be that the Treasury Depart has some other term in mind. I can't give you the exact answer because that particular point hasn't been discussed.

Q. Mr. President, Herling, Editors Syndicate. In the past year, Secretary Mitchell has come up with at least two major ideas, one the raising of the minimum wage from the present 75-cent level, and two, his opposition to the anti-union shop laws in the States now permitted under the Taft-Hartley Law. Does the Secretary of Labor ---

THE PRESIDENT: You are talking about the "right to work" laws?

Q. (Herling) Well, the proponents call them "right to work" laws, ---

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THE PRESIDENT: Yes.

Q. (Herling) --- but the opponents don't. ---

THE PRESIDENT: Yes.

Q. (Herling) --- Yes sir. Does the Secretary of Labor, then, have your support on the increase in the minimum wage? And second, do you yourself favor the position of the Secretary of Labor in regard to the so called "right to work" laws?

THE PRESIDENT: In regard to the first: the whole question of increase in minimum wages was discussed, as I recall, in the last Economic Report that I submitted to the Congress. And this Administration does stand in favor of adjustments -- I believe I said at the proper time. And the proper time is certainly on an expanding period in the economy.

Now, this matter has been under discussion. We are not ready to make a final announcement, but it is a matter that is under intensive study at the moment.

Now, on the point of "right to work" laws. I have heard it discussed, ever since I have been in my present Office, pro and con. Of course, labor unions are very much against it. But States -- and many States,

even, that don't have them -- are very much for them, because they say this represents the inalienable and constitutional rights of a State to act in certain fields. So you have here, to my mind, a matter that sort of hoists you on the horns of a dilemma, if you believe, as I do, very firmly in Constitutional government.

I am not particularly certain in my own mind just where the right does lie here. But of course the Supreme Court has held under the interstate commerce provisions, that the Federal government has the right to operate in all these areas, and should assume responsibility. But, also, there is a provision in the Constitution which reserves certain rights to the States. I myself couldn't say that I have reached an irrevocable decision. It is one that has been argued in front of me, and until finally the revision of the Taft-Hartley Act is taken up seriously by Congress, and this thing is exhaustively and completely argued out, I just don't know what exactly my decision will be.

But in the meantime, I have upheld the right of Secretary Mitchell to express his own convictions, because he has always held them, and so notified me, even before I appointed him.

Q. (Herling) Sir, may I ask you this -- any other -- the Secretary of Labor is your chief labor adviser ---

THE PRESIDENT: That's right.

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Q. (Herling) May I ask ---

THE PRESIDENT: But listen, I will make this clear: I have no adviser who can take over for me the responsibility for making a decision for my own acts, finally. I am the responsible one, no matter if I have advisers who are chief or even sole. I have finally to take the responsibility for my own actions.

Q. Mr. President, ---

Q. Mr. President, as I understand it, sir, the North Atlantic Council in Paris this week is going to discuss the question of the atomic defense of Western Europe. Would you give us the benefit of your thinking as to who has the power of decision, in the event of an attack -- the power of decision of using atomic weapons in Western Europe?

THE PRESIDENT: Well, as a matter of fact, you

raised the very question that is under discussion this week, and I think it would be most unwise for me to give my own convictions publicly, when my own representatives are engaged in the negotiations on this point.

Now, in certain areas in certain fields, of course, our own right to act as we see fit is unquestioned. When you have allies, if you are going to treat them as partners, you have to take into consideration their beliefs, their convictions, and if they differ from yours, there is often very good reason for it. Therefore, you have to negotiate it out, and to see how it comes out.

I will probably be ready to say a little bit more about this, after this meeting is over. But as it is now, I think that is about all I should say.

Q. Mr. President, ---

Q. Mr. President, ---

Q. Schorr of CBS. It has been reported that the Administration is planning a further cut of 100 thousand ---

THE PRESIDENT: To do what?

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Q. (Schorr) A further cut of 100 thousand in the Army's strength in the next fiscal year, and the withdrawal of the First Marine Division from the Far East. If that is so, could you explain your thinking behind it?

THE PRESIDENT: Where was this reported?

Q. (Schorr) On CBS sir. (loud laughter)

THE PRESIDENT: Well, that -- I guess I must accept that as authoritative. (more laughter)

The only reason I am a little hesitant about giving you my thinking on this matter is that a full exposition would require probably more time than we should like to give to it.

But I can say this, and it is an attempt, you might say, almost, to epitomize my thinking: the United States as a nation never had any reason to be particularly fearful of direct attack upon itself, until the advent of two things. One, the long-range bomber, or a means of delivering weapons upon us; and secondly, of very destructive weapons.

This then points -- as I say I am really cutting

corners -- but this fact points to this one great need on our part: ways of blunting any attack against us, and ways of trying to deter it, preventing it from ever occurring.

And here is where comes in the philosophy of retaliation; to make certain that no one can ever attack us and hope to gain by that kind of attack.

If you can prevent that, then, as has been traditionally the case, the economy -- the great industrial power of the United States can unquestionably be decisive again. But in the meantime, of course, with these modern conditions, we have accepted, we have recognized new problems. Of course you appreciate the terrific importance to us of preventing a centrally controlled dictatorship getting sway over such industrial complexes, such productive nations and regions as, let us say, Western Europe and Japan.

So we have, with our own particular interests centered on continental defense and, let us say, this power of ours to deliver more severe blows than we can get, we have, also, that problem of preventing the fall of those areas into the hands of someone who would exploit them.

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All of this means, as I see it, that our active, our immediate active forces are donated largely to the first task; that secondly we must have the proper reserve system in order to prevent all of the disastrous occupations and attacks against these vital areas where we are concerned. We must have a proper reserve system that will enable us both from the material and manpower standpoint to bring our power to bear as rapidly as possible.

We can never do this across the oceans in a hurried fashion. The transport of troops and all of these things must follow curves that are determined by the amount of shipping, the amount of escort vessels, the safety of the oceans and the many other factors. It can't be done hurriedly. So we can depend there, and must depend largely, on fine reserve systems, which means when we are calculating where our greatest value that we get -- our greatest defense value out of every dollar is concerned, we can cut back on personnel in the active forces, as long as we keep our continental defense, our striking power, and our reserve system operating at its maximum character. So this means, as I see it, that we should be very concerned in keeping the minimum of people in other places in our defense forces during times of peace, so that we can get the greatest dollar value out of every dollar we spend.

Q. Harsch, Christian Science Monitor. Two weeks ago you told us that you would look into the matter of whether there was anything in Ambassador Bohlen's report to you, which you could pass on to us ---

THE PRESIDENT: Yes I did, and I am sorry to tell you that the reports and advice I get are not very encouraging on the side of talking in this way. When Mr. Bohlen gave me his impressions very honestly and openly, the State Department pointed out that if I wanted to receive that kind of information always from the Ambassadors coming back -- as they always do visit me -- that I would just have to regard them as confidential, because the man doesn't gauge his report to me in the terms of how it might be received in other quarters -- and I mean abroad.

Q. Mr. President, ---

THE PRESIDENT: So it just seems to me that it must be governed in this case.

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Q. Mr. President, Roscoe Drummond, New York Herald Tribune. May I ask two related questions, growing out of the Monday conference with the Republican leaders? Could you tell us the kind of support for your program you expect to get from your own Party; and growing out of Tuesday's meeting, do you think that you observed a show of bipartisanship, or do you feel there was substance and spirit behind the bipartisanship that appeared to be manifest?

THE PRESIDENT: Well, I will answer them in reverse order. I think that the attitude toward all of these questions -- we brought up not only foreign policy in its political or diplomatic sense but foreign economic aid, mutual security programs, and national security programs. I believe, in these, the cooperation will be very real.

Now, one reason I am encouraged in that regard is that numbers of times I have appeared before both Foreign Affairs and Foreign Relations Committees of the Congress, and before the Security Committees -- now called the Armed Services Committee, particularly -- and in the House and in the Senate -- and in those cases I never yet found the matters I was presenting treated or decided upon partisan grounds.

In some of those Committees they have almost a tradition, it seems to me, of dividing according to conviction and not necessarily according to party.

I am very hopeful. And I had every reason to believe in the conference yesterday that that is very real.

Now as far as it concerns the kind of support that I am going to get for the carrying out of the Administration program in all other fields, from the Republican side, the matter did not come up in those terms and so I cannot be expected to comment exactly in detail. But I was given no reason to believe that the support was not genuine.

Now there are, as we all know, some differences -- very earnest differences of conviction, for example, concerning the Randall Report. And I don't suppose that any kind of meeting will completely eliminate those differences. But I would say, by and large, I would expect a very maximum of cooperation from my own Party.

Q. Mr. President, ---

Q. Mr. President, ---

Q. Mr. President, ---

Q. Mr. President, --- (laughter).

THE PRESIDENT: Well I -- I think this gentleman in the rear.

Q. Roberts, Washington Post. In answering the question a moment ago about the change in the status of our troop commitments, you referred to the philosophy of retaliation. Does that change in our troop commitment mean any change in our ability to fight the so called little wars, especially non-atomic wars?

THE PRESIDENT: I wouldn't think so. As a matter of fact, little wars as distinguished from big wars -- I think you have a bit of an artificial distinction. What we are trying to do is to conduct or to develop a program that meets the over-all national needs in the best way, and I would rather improvise and resort to expedients in little wars than I would in big wars. I would rather cast and mold my security arrangements to meet the great threats to the United States, and take the others as far as I could in my stride.

Q. (Roberts) You don't, sir -- do you rule out the possibility that we might have a situation in which you had -- it has been referred to as a little or non-atomic war?

THE PRESIDENT: Well, if you had a little war,

I would say this: if you win a big one, you can certainly win a little one. That would be my general attitude. In other words, I believe this: after you get so far in the expenditure of money for planes, tanks and guns, and men in the Services, you reach the point of very sharply diminished returns. And I believe it is far better to devote whatever resources you must put into this thing, into the terms of getting the proper mobilization base, in terms of productivity where necessary, stockpiling, and the training and organization of men for moving into this thing when they have to.

Now I just don't believe you can buy one hundred percent security in every little corner of the world, where someone else wants to start trouble. I think you have to go ahead, taking certain calculated risks.

Here is the crucial thing which you must remember with respect to our defense establishment. It is not one to meet a problem this year. We must be prepared from now on, as long as we have this kind of threat in the world, which means that we have got to have one that is carried forward under a free enterprise system with the full support of a population that knows it must bear the taxes to carry it on. It must be one that can be carried for fifty years if necessary. I hope and pray that we are not going to carry it fifty years, but that is the way it is designed; because we cannot be 100 percent ready to meet every little trouble that can arise. Otherwise you would have to have troops stationed in every place in the world where trouble might arise, in advance. That would be your best protection.

You have to do it as it comes up. And I believe that the kind of system we are trying to develop is best developed, best molded, best devised, for that kind of theory.

Q. Mr. President, ---

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Q. Mr. President, ---

Q. Mr. President, Clark Mollenhoff, Des Moines Register. It has been reported in the last week that Senator John Williams of Delaware had to enlist your personal support to get the Treasury to take action in -- on some personnel cases involving persons linked with the Truman administration tax scandals. I wonder if you could tell us precisely what you did in that, whether it was a routine quarrel, or there was some follow-through, and what your policy is on -- when these things come to your attention?

THE PRESIDENT: Now frankly, I don't recall any specific report to me. I have talked with Senator Williams from time to time, starting before I was inaugurated, and I always listen to whatever he has to report to me, and I pass it along, because I believe we have there a very honestly concerned individual.

But I can tell you what the policy is, without any question whatsoever: everybody in this government who has a position of responsibility is instructed: if there is anything that comes to his attention that looks like it is off-color, or there is someone that has been criminally negligent, or is otherwise to blame for anything that goes wrong in government, it is to be immediately reported to the proper authorities and with prosecution to the limit.

Now there are no exceptions to it.

Q. (Mollenhoff) Well, sir, ---



THE PRESIDENT: Yes?

Q. (Mollenhoff) --- have you had any indications, either from Senator Williams, or from any other Cabinet Members, of his dissatisfaction since his meeting with you last April? At a press conference on April 29 you did confirm that you had talked with Senator Williams with regard to the bad situation in the Internal Revenue Service.

THE PRESIDENT: Well, I haven't had another word about it that I know of. As far as I can remember, not a one.

Q. To change the subject rather drastically -- Garnett Horner, Washington Star -- recent news reports indicate that some European governments are investigating quite seriously the flying saucer problem. And not too long ago there was a book published in this country that purported to show that our Air Force thought that some of these flying objects, at least, might be of extra-terrestrial origin. I wonder if you could tell us if our authorities really do suspect something of that kind ---

THE PRESIDENT: With regard to these recent reports, nothing has come to me at all, either verbally or in written form.

Q. Mr. President, ---

THE PRESIDENT: And I must say, when I go back far enough, the last time that I heard this talk, a man whom I trust from the Air Forces said that it was, as far

as he knew -- it was completely inaccurate to believe that they came from anywhere outside the planet.

Q. (Brandt) Mr. President, have you worked out the mechanics of consultation with the Democratic leaders, step by step ---

THE PRESIDENT: Well, as a matter of fact, I don't know, Mr. Brandt, whether it will just conform to any pattern. I made this one statement yesterday, and it is probably published -- I invited them at any time that they saw fit -- responsible officials on the Hill -- that they saw anything in this whole field that we covered yesterday that they believed would need my attention, to bring it up. But beyond that, I am asking and preparing a draft now, asking each of the Cabinet Officers that deal with these subjects, any time that they are proposing a new plan, before it is crystallized, before it is presented to Congress themselves to take it and to confer with the security committees, the foreign relations committees, etc.

Q. Folliard of the Washington Post and Times-Herald. Mr. President, your able Press Secretary, Mr. Hagerty, made some news the other night. He was on a radio program, and he was asked this question: "Mr. Hagerty, would it be foolhardy for the Republican Party to approach the 1956 election with any other idea than to draft President Eisenhower as a candidate?"

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Mr. Hagerty gave it as his personal opinion that it would be foolhardy.

Mr. President, is there any use in asking you to comment? (much laughter)

THE PRESIDENT: Well, I would like to say this: that Mr. Hagerty is included as one of those staff officers, as I have told you before, to whom I accord the great privilege of having his own opinion. And as a matter of fact, as long as he expresses it, and there has been no established administration policy, why I support his right, as Voltaire did, to say what he thinks. (more laughter)

Q. (Folliard) Thank you.

Q. Mr. President, May Craig, of Maine papers. Sometime ago Secretary Humphrey said on a television program that he approved of the elimination of all restriction on earned income by social security pensioners. Do you approve of that elimination, and will it be in the next Budget?

THE PRESIDENT: Well, that particular point has

not been suggested to me as one of the eliminations. But I think it is probably a little bit too serious just to start shooting wildly on it. My impression -- my instincts are Yes. When you are getting to that point, it seems to me that income tax has once been paid on that. Now I am not -- I am not going to commit myself irrevocably.

Q. (May Craig) Well sir, you are aware that people who get unearned income -- the pensioners who get unearned income, do not lose it because they have unearned outside income. But those who do earn, now, over more than a certain amount on the outside, ---

THE PRESIDENT: Yes.

Q. (May Craig) --- of their pensions, do lose their pensions.

THE PRESIDENT: After they get to a certain amount.

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Q. (May Craig) Yes sir.

THE PRESIDENT: Yes -- well, that's right. I will tell you, I will have a talk with the Secretary of the Treasury, but you are getting into a very technical difference, and I wouldn't want to answer it carelessly here.

Q. Mr. President, Marvin Arrowsmith of the AP. Some of the Congressional leaders, after their meeting with you, were talking about our new military manpower reserve program, which Senator Lyndon Johnson said would be a modification of UMT. Could you tell us anything about the nature of the plan?

THE PRESIDENT: Well, I think it is really a far cry from UMT -- in other words, it is rather drastic, but I think, if I am not mistaken, that Secretary Wilson and his manpower Secretary, Mr. Burgess, are going to have a press conference on the details of this plan very soon.

MR. HAGERTY: (to the President) Friday, sir.

THE PRESIDENT: Friday. On Friday, and I think it would be better to take the specific questions to that press conference.

Q. Mr. President, Finney, Buffalo News. In your discussions with the Republican leaders, was anything said or done about the renewed debate on the so

called Bricker Amendment?

THE PRESIDENT: No. It was not mentioned.

Q. (Smith) Thank you, Mr. President!

(Notebook E-15 -- Page 97 -- J. Romagna)

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