STATEMENT BY REP. WILLIAM E. MILLER:

In America one of the roles of the opposition party is to keep the political spectrum in balance: by pointing out truths that otherwise might go unmentioned by the party in power; and by bringing submerged facts into sharper focus that people may better grasp them.

The Congress has just received President Johnson's State of the Union message, his economic report and his budget. This is an election year and it is perfectly evident, I think, from the tone of these messages that the White House knows it. That is why, as presiding officer of the Joint Senate-House Republican Leadership and as Chairman of the Republican National Committee, I am participating in this press conference today -- to provide some general political observations while Senator Dirksen and Representative Halleck will provide the specifics.

To put it in a nutshell, the wheeling and dealing in my judgment has started, with the most accomplished wheeler-dealer Washington has ever seen, President Lyndon B. Johnson, running the show. The New Dealers and the Fair Dealers now are only memories. Now we have the Wheeler Dealers.
The big come-on was in these three Presidential messages: one, the world is rosy - it just needs more and better coexistence; two, the economy is booming if you'll overlook the 4 million unemployed; and the budget is pretty as a picture, give or take a few billions in juggled figures and a hard-to-cover-up increase in the national debt to $3.7 billion dollars or more.

The plain truth is that not a single new idea was presented; most of them are three to thirty years old. Only the sales pitch was new. We, as Republicans, have had to put truth squads in the field in the last three Presidential elections so fact could catch up with fast talk. And it is plain that this year we will have to do it again - and we will - from now until election day. And so since the moratorium period is over, I'm in favor of starting today.

STATEMENT BY SENATOR DIRKSEN: This nation has had three years of foreign policy shaped by Democratic Presidents and it is time a frank accounting of the world picture was rendered. So here are the facts:

In Southeast Asia, American fighting men are losing their lives in South Viet Nam; Cambodia, a former friend, has severed economic and military relations and is making friendly gestures to Red China; Indonesia's determined friendship with Peking was rewarded by American acquiescence in that nation's annexation of Dutch Guinea; Burma, Laos and Thailand all suffer Communist infiltration and build-ups and internal anti-American campaigns. Even Pakistan has signed trade and airline
agreements with Red China.

In Africa, Ghana and Zanzibar have gone Communist, while Algeria and Morocco carry on more than friendly relations with the Soviet Union.

In Europe, the NATO structure has deteriorated; the Berlin wall has been built and France has recognized Red China. The insistence of the Administration for authority to sell wheat to the Soviet Union on our taxpayers' credit amounted to an open invitation to Britain to sell buses and airplanes to Cuba and for Spain to negotiate for the sale of fishing vessels in a further rupture in the slowly-disappearing blockade of Cuba.

In Latin America, Cuba has gone Communist and become the first Soviet base in this hemisphere; Panama has completely severed diplomatic relations in a threat to the Panama Canal; Communists promote increasing strife in Venezuela, British Guiana, Brazil and Bolivia; military coups have occurred in the last two years in Argentina, in Peru, in Ecuador, the Dominican Republic and Honduras.

There is the three-year record. It is a losing record, a grim record. It has reduced American prestige. It certainly does not justify any American embrace of Moscow-sponsored "coexistence" or White House talk of "peace offensives." It is high time our government recognized that Communist aggression never stops and never will until we formulate policies to meet the realities presented by a cold, relentless and inhuman enemy.
STATEMENT BY REP. HALLECK: When the three-year domestic record of the Democrat Administration is examined in the light of promise versus performance, no amount of window-dressing in Presidential messages can alter the fact that little has actually been achieved. And when the increased cost of government for those three years is considered, it has been an expensive experience for the American taxpayer, to say the least.

President Johnson boasts that in three years the Gross National Product has increased $100 billion dollars, or 16 percent. He overlooks the fact that the GNP increased 44 percent in the Eisenhower years, when the cost of government averaged 22 percent less than today. Likewise, Mr. Johnson tiptoes around the fact that, by his own budget calculation, the Democrats will have added $31 billion dollars to the national debt since they took office. That's a huge amount of red ink in times supposed to be prosperous.

Despite the sunshine terms used to disguise the fiscal mess in Washington, two groups of Americans - our workers and our farmers - know how little Federal deficit spending accomplishes. Unemployment stays grimly above 4 million, while the parity ratio between the prices of what a farmer buys and what he sells has dropped to 78 percent, the lowest figure since the depression of the 1930's.

Then there are all the 1960 campaign promises that still await fulfillment - massive aid to education, medical care under Social Security, youth camps, lower interest rates, and so forth, and so forth.
And civil rights, promised as the first order of business for January three years ago, but not even sponsored in the Congress by the Administration until six months ago when bloodshed and violence forced the hand of the executive department.

Now we are told we are going to get all of these things bigger and better at less cost. Well, if anybody believed this, and few do, all they need to do is examine the record. The last Democrat President who ever cut the cost of anything was Grover Cleveland and he went out of office in 1897.

QUESTION: Are you going to support any major changes in the civil rights bill when it comes to the floor next week... or are you going to support the legislation essentially as it is....

REP. HALLECK: Well, the bill will be coming to the floor under an open rule, and I never said - and I never promised anybody, that every line in it was perfect. I think it's a matter for the House to determine in the light of the debates that will be had.

Now then, for me to say at this time that I won't support any amendment... I just am not going to say that, because I don't know.

QUESTION: Could I ask Senator Dirksen the same question in regard to the tax bill...

SENATOR DIRKSEN: Yes. I've stated very freely that I intended to support the tax bill. When I voted on it in the final session, I said I approve it with qualification. The qualification was
that I intend to offer the amendment to repeal the excise taxes on four categories of retail items on which retailers all over the country have to file returns and pay the tax... that includes luggage and jewelry, toiletries and furs. I'm going to make a determined effort to get that written in the bill.

Let me say, incidentally, I succeeded the first time by a vote of 9 to 6 — when a little telephoning was done. I succeeded the second time by votes ranging from 13 to 2 — to 10 to 5. Then on the last day, after we got through with that Rule Proposal on the floor, I went to the Committee and was suddenly advised that my good work was all undone and that on reconsideration it was taken out of the bill. I learned later from a most reliable source that the Texas "twist" had been applied. (LAUGHTER)

REP. HALLECK: ... amplify that civil rights thing just a little bit. I said from the beginning that I was for a meaningful civil rights bill and I still am. As a matter of fact, the Republican record on civil rights has been a good one and will continue to be a good one. And may I express also the hope that the action on the bill may be concluded in the House of Representatives after fair debate and fair consideration by February 8 of next month.

QUESTION: Mr. Dirksen, you talked about the necessity for formulating policies... have the Republicans formulated any policies to meet the realities?

SEN. DIRKSEN: Well, we've had general policy statements from time to time, but if we're invited to sit in and to express an
opinion with respect to these policies, certainly we will have propositions to offer, and I prefer not to formulate them until that time comes, but it is in pursuance of the line that we have taken all along that in the whole field of foreign policy we ask only to be permitted to sit in and make our suggestions and then we'll abide whatever decision is made in that field.

QUESTION: Mr. Chairman, hasn't it been pretty common practice around here that each party usually accuses the other of juggling budget figures, and is it correct that each Administration tries to put the best foot forward?

SEN. DINKES: Well, if you're asking me... I didn't cover the budget aspects... but let me say from long experience that in this particular case there are some rather interesting items in that budget and when we finally complete an analysis all of them will be presented.

A notable example, for instance, is the sale of a billion dollars in assets, such as housing mortgages and that sort of thing. But the whole item is played down to make it appear that you've got a budget that is well below the budget of last year but more importantly that the deficit will have been reduced from in excess of 9 billion to 4.9 billion. On paper that looks pretty good... I could mention still another item.

Taking, for instance, REA... that's the Rural Electrification Administration. It is proposed now to take payments of interest and principal and put them into a revolving fund ostensibly beyond the control of Congress and thereafter you'll have to show nothing in your
budget so far as appropriations are concerned.

**QUESTION:** Do you believe that the Eastern Seaboard of liberal Republicans ganged up on Senator Goldwater with 6 candidates in New Hampshire?

**SEN. DIRKSEN:** With 6 candidates in New Hampshire...

No, I'm sure it's not a gang-up procedure. It is an expression of the vitality and universality of the Republican Party... "Come one and come all"... and take your chances in the primaries and the conventions... and it'll be left to the prudence of wisdom of the delegates to find the best candidate when the convention comes.

**QUESTION:** You painted rather a gloomy picture of the world situation. Would you tell us what in your opinion the Administration could or should have done specifically to avoid...

**SEN. DIRKSEN:** (Breaking in) That would be TOO large an order...

**QUESTION:** I'll give you one example. You mentioned New Guinea... should the United States have stayed out of that and allowed the situation to develop into a full-scale war between Indonesia and The Netherlands?

**SEN. DIRKSEN:** The first thing we could have done in that situation was to take a very firm stand and tell Mr. Sukarno how we felt about him; and secondly, it seems to me we bent over backward against The Netherlands when that situation first became acute. I recite the Zanzibar situation. How feeble was our protest when they were kicking our diplomatic representatives around. I think if we start putting some
gimp into it and make a little noise like a big stick at a time when the world is so filled with fever, that we're going to do better in the foreign policy field.

QUESTION: What do you think of the results that have come out so far from the Bobby Baker investigation...

SEN. DIRksen: Well, I pass no comment for the moment and for a reason. The resolution that was offered by Senator Williams committed this to the Rules Committee. It is made up of 6 Democrats and 3 Republicans, and certainly the minority party can't very well twist a rules procedure under those circumstances, so it's fair to assume that this is going to be a good, factual investigation.

Now that resolution also provides that a report must be made to the Congress at the earliest possible date. So in a sense they're sitting in a kind of judicial as well as legislative capacity and under the circumstances I think this investigation must proceed a little further, because not even the principal witness has been before the Committee. But in due time - as this goes further and other matters are disclosed - we can then determine whether it would be proper to make comment and to intervene in the matter before a final report is submitted.

QUESTION: You deem it improper at this time to comment?

SENATOR DIRksen: Well, what are you to do when you vote to commit it to the keeping of 9 members of the Senate? Do you then move in - undertake to influence it - undertake by comment or otherwise to get it off at a tangent? I think I probably think in the frame of a
lawyer when I consider a matter of that kind, because your first hope always is to see that you utter nothing from a responsible position that can be regarded as prejudicial to anybody involved in the proceeding.

QUESTION: Do you think Senator Goldwater was acting improperly, then, in the comments he made?

SENATOR DIRKSEN: Well, I have no comment to make on any whatever/of the members said. But I try to think of the fact that I sat in on the earlier off-the-record meetings when this thing was in its incubation process, and for that reason — and having given my hand and my heart and my voice to the vote along with Senator Mansfield — I don't think I ought to renge on what I think is a responsibility.

QUESTION: Considering the fact that the resolution prohibits — or at least limits — the Rules Committee from investigating Senators, Presidents ... it would be a good idea to broaden the resolution. Would you introduce that legislation?

SENATOR DIRKSEN: I don't think it would be necessary, because the language of the resolution is that you investigate both present and former employees and officers of the Senate to ascertain whether there were any improper activities or activities involving conflict of interest.

Now if in the investigation it involves a Senator... I don't know that there's anything in that rule that would inhibit the Committee from following such course. And, as a matter of fact, that was discussed at the time that the resolution was drafted.

QUESTION: Senator, I had a second part to my question. What was your feeling about statements from the White House in regard to
the Bobby Baker investigation. Are you satisfied with those statements?

SEN. DIRKSEN: Well, I think that a comment of mine would at
this moment be premature in view of the fact that I helped engineer to
get this resolution before the Senate, and obviously you do not want to
take a stance, you do not want to make some comment that later may not
square with the facts as indicated by the Committee.

QUESTION: Mr. Halleck, some House Republicans did make some
comments yesterday. Do you agree with what they said?

MR. HALLECK: Well, of course, this is a Senate matter.

(LAUGHTER) And I've seen in my time here when the Senate quite
vigorously investigated certain House members... now all I can say is
if this investigation is going forward, we have some very able
Republican members on the Committee, and as I say, I hope that the
investigation will be full and complete, go into all of the angles that
should be gone into, find out all of the facts as they are, and as far
as I'm concerned, let the chips fall where they may.

QUESTION: The House District Committee has already been
mentioned in testimony. Isn't it now a House matter as well as a
Senate matter?

MR. HALLECK: I wouldn't think so, no. There are no House
members on that Committee, and I understand John Macmillan went to some
sort of a meeting in Bobby Baker's office... I don't know anything
about it but that... maybe that's the thing to which you refer... but
otherwise, I have heard of no involvement. But as I say... it's a
matter of great public concern, and as far as I'm concerned - and I think
probably that's the attitude of most of the Republican members of the House - we just hope the investigation will be carried on fairly and effectively with every effort being made to disclose the facts. And if that is done, I don't see how anyone can complain.

QUESTION: Mr. Halleck, in a more general way, what do you think would be sensible ground rules for the exchange of gifts between employees and members of Congress.

MR. HALLECK: Well, I don't recall that any of the members of my staff ever gave me anything. (LAUGHTER) I sometimes wish they would. (LAUGHTER) Maybe even a little miniature something - or a stereo - I don't know. (LAUGHTER) I don't know.

Well now, wait, let me just conclude this. Now, on the face of it... if somebody on my staff wanted to bring in some little thing for me, I don't think that's the real question that's involved here. I think it's a question that maybe goes a lot farther than that sort of an operation.

SENATOR DIRKSEN: I thought you might be interested in what actually did take place at a meeting in Northern Illinois. A very distinguished Senator by a question from the floor, where I think a thousand women were in attendance, was asked this question: What did he think about gifts coming to people occupying public office? He stated that the rule in his office was that if a gift appeared to be in excess of two dollars and fifty cents in value, that it would be returned. They then asked a very distinguished Congressional lady - who was then in Congress - what she thought, and she indicated to that audience that
she didn't think she'd forfeit her virtue for two dollars and fifty
cents. (LAUGHTER)

QUESTION: Chairman Miller, would you comment...

(asks about primaries and the 7 candidates)...

MR. MILLER: Well, I can only say that I think it proves
the opposite of the question which was asked and that is there certainly
couldn't be an effective conspiracy on the part of the so-called Eastern
internationalists - if there are any such group, and if there are I
don't know who they are or where they are or what they are - but, in
any event, if there was such a conspiracy it would seem to me that the
effective way to conspire against Senator Goldwater would be to
consolidate their forces behind one person in opposition to Senator
Goldwater. If you have Senator Goldwater in the New Hampshire primary
and then you have 4 or 5 others who theoretically at least, or allegedly,
represent the Eastern international wing, or a so-called more liberal
philosophy, it would seem to indicate to me it would split the so-called
liberal vote and make it easier rather than more difficult for Senator
Goldwater to be the leader in New Hampshire.

But as far as I'm concerned, I think the more the merrier
as far as our party is concerned. I think it stimulates interest in our
party, it stimulates interest in our candidates, and the issues of the
Republican Party... I think that as a party we suffer from under-
exposure... I think the more people we have enter it, the more interest
is generated and I'm delighted.

QUESTION: We haven't heard your comments yet on the Baker
case... how big an issue do you think that's going to be in the campaign?

MR. MILLER: Well, I think it's going to be a very big issue, and I think it ought to be. Because I think we have here in my judgment an issue which goes to the question of the integrity of our government from top to bottom. In other words, I don't think the stereo or hi-fi is so important an issue... except that I do myself see some difference in a case where George Smathers feels so sorry for Bobby Baker because he has such a large and growing family that he has to cut him in on a profitable deal in Florida, and then at the same time Bobby seems to be so affluent that he can give away six-hundred-dollar presents and furnish an apartment for his secretary and a hundred other things... there seems to be some conflict there. But the more important feature, it seems to me, is the existing conflict in testimony - direct conflict - between the testimony of a high administrative office in the White House and an insurance agent as to what transpired in connection with television business being given to the Johnson television station in Texas. This would indicate to me that at this stage of the game there is a clear issue here of possible perjury, and it seems to me that any duly constituted committee of the House or Senate when faced with possible perjury having been presented before it ... to follow that through to its ultimate climax or else the whole integrity of the hearing, the whole stature of the Committee would fall.

Now, I think... I think... I can remember the Sherman Adams case and many others, and it seems to me this is a case where I
am very hopeful, yet I agree with Senator Dirksen and with Congressman Halleck that we have here a duly constituted Committee empowered by the Senate to investigate this. It is Senator Dirksen's interpretation of the resolution which he helped to author and sponsor... that it is broad enough to allow this Committee to follow these leads and to investigate fully this situation, and I suppose therefore since you have this Committee duly constituted and under way and in the process of conducting an investigation... that their prerogatives shouldn't be preempted at this time by wild and unfounded accusations and statements until such time as they at least complete their investigation and make a report.

QUESTION: Mr. Miller, there have been reports that the Republicans have not been receiving the same sort of cooperation on the Committee that the Democrats have... the FBI investigations... those reports have not been made available to the Republicans, they have only been seen by the Democrats... is that true?

MR. MILLER: I wouldn't have any idea as to the accuracy of the statement, but I would say that if the American people don't get a complete disclosure of the entire facts in this situation, this would be I think a very important issue wherein the Republicans should go to the American electorate and suggest at least they elect a Republican House next time so we can have a Republican investigating committee and then maybe we'll finally give the American people the full story of on Billy Sol Estes and everything else...

(EVERYONE TALKS AT ONCE)
SEN. DIRKSEN: If you'll pardon me, let me respond a moment.

Over the years the Judiciary Committee has always had a close relationship with the FBI in connection with nominations. Those at one time, I understand, were made available to all members of the Committee. But I presume... and the Committee on its own finally determined that the reports would come only to the Chairman and he would give assurances to other members of the Committee that the file was clear or it was not clear.

Now I'm not advised whether this particular committee, the Rules Committee, has adopted a comparable rule or not, but the FBI has been very circumspect of getting those reports broadcast because of their very secretive character.

QUESTION: The report on the Billy Sol Estes case will soon come out... do you expect to have some comments on the content of that report?

SENATOR DIRKSEN: Yes, when the report is available, I shall... and I think other members of the Senate will also.

MODERATOR: Thank you very much.