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NEWS CONFERENCE

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:20 P.M. EDT

OCTOBER 3, 1974

THURSDAY

MR. NESSEN: Let me run through the President's day.

Yesterday afternoon, as you know, he met for two hours with the Economic Policy Board, and he also met with several staff members, including Bill Timmons, Phil Buchen, Don Rumsfeld, Dean Burch, Jack Marsh, and Bob Hartmann.

Q Was that yesterday?

MR. NESSEN: That was yesterday afternoon.

He also talked again by phone last evening with Secretary of State Kissinger who is in New York for the U. N. General Assembly session.

This morning the President has seen Bob Hartmann, Marsh, Scowcroft, Cole, Rumsfeld and myself.

At 10:15 you had a chance to photograph the President greeting Mrs. George P. Wallace, the sister-in-law of former President Truman. Mrs. Wallace was here on a tour with a group of 25 mostly retired persons from Missouri. She is the wife of Mrs. Truman's brother and she lives in Independence, Missouri, near Mrs. Truman.

You know from the photo and from the pool report that the President showed her the portrait of President Truman which he has had hung in the Cabinet Room.

At 11:00 this morning, the President met with a group of Republican Party leaders to discuss political matters. In the meeting were Mary Louise Smith, the new National Committee Chairman; Hugh Scott, Senator Tower, Senator Brock, Congressman Rhodes, Congressman Conable, Congressman Michel, Anne Armstrong, Roy Ash, Dean Burch, Bob Hartmann, Jack Marsh, Ken Cole, Bill Timmons, Tom Korologas and Max Friedersdorf.

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Q Will you take a question on that, Ron?

MR. NESSEN: Yes.

Q What is Roy Ash doing in a political meeting?

MR. NESSEN: I think there was some discussion of legislation in the meeting, Jerry.

Q Ron, did he try out an economic policy on them?

MR. NESSEN: I don't think so.

Q What was the political discussion? Was it in terms of his campaign travel or what?

MR. NESSEN: I don't know all the details of the discussion. I didn't sit in on it.

Q Why was it off the record?

MR. NESSEN: Was it off the record? I am telling you about it. How can it be off the record?

Q Why was it not announced ahead of time?

MR. NESSEN: I don't have an answer to that.

Q Do you know some of the details, some of the substance that was discussed?

MR. NESSEN: I think the 1974 campaign was the primary item discussed.

Q What about it, Ron? I mean, we all know it is going to take place, but what did they say?

Q Did you sit in on it?

MR. NESSEN: I said I didn't, Helen.

Q Was it a discussion of how the economy is going to affect the campaign?

MR. NESSEN: Bob, I don't have any details of the meeting other than who was there and a few of these general items.

Q Ron, the suggestion that they discussed legislation and politics somehow conveys the impression that they are trying to draft out a legislative program that somehow could be used in the campaign. Is that a correct impression?

MR. NESSEN: I didn't mean to convey that impression.

Q Well, can you correct that impression in some way?

MR. NESSEN: Well, I can't because I don't know what was discussed in there, Mort.

Q But you don't even know why the meeting was called?

MR. NESSEN: I think I told you why it was called, didn't I? Didn't I say the main topic of conversation was the 1974 campaign?

Q Ron, you can't go beyond that?

MR. NESSEN: Since I was not there, I can't.

Q Can you find it out for us?

MR. NESSEN: I will inquire as to what was discussed at the meeting.

Q Can you tell us when it was called or when it was set up?

MR. NESSEN: I can't.

Q Ron, let's put it this way: Although you were not in the meeting, in the course of being informed that the meeting was taking place, did you receive any impression that this was in any sense an emergency meeting or a meeting called because of the fear that the Republican candidates were in trouble in the November election, that this was a strategy session to cope with any difficulties or adverse trends? Did you get that impression?

MR. NESSEN: No.

Q Did you get the contrary impression, that they were calling the meeting because they were confident of immense Republican successes in the fall and they just wanted to tell each other about it? (Laughter)

MR. NESSEN: No.

Q Do you have any pression at all, something in between that or what?

MR. NESSEN: If I had an impression, Jim, I would give it to you.

Q Why did they call the meeting?

MR. NESSEN: They called the meeting partly to discuss the 1974 campaign, a brief part of it devoted to discussing legislation.

Q Ron, did the President review some of the legislative proposals he is about to unveil with a view to explaining how they hope they are going to cut Republican losses in November?

MR. NESSEN: As I told you, since I was not in the meeting, I cannot give you a very detailed explanation of what was there. I can perhaps tell you a little more, because I had a paper on my desk which I did not read. Since I told you I would be honest, I will be honest and tell you that.

Q Why not read it to us?

MR. NESSEN: I have it in front of me, and I will if you would like me to.

Q Good.

MR. NESSEN: The purpose of the meeting was to discuss campaign issues, travel and other issues. (Laughter)

Q Can you read between those lines? (Laughter)

MR. NESSEN: There was some discussion of the President's campaign plans. There was some discussion of the campaign reform legislation.

Q How does he feel about the campaign reform legislation?

MR. NESSEN: Do you think we should stop now and do this or should we go on with the other items? I can tell you that, Helen.

Q You can go on.

Q I think it is a very important question.

MR. NESSEN: Well, I am trying to answer it for you, Sarah. Discussion of the President's campaign schedule, a discussion of Republican changes in -- these were items on the agenda and I obviously can't vouch that they were all discussed there -- campaign reform legislation.

There will be a meeting tomorrow morning with the full Republican leadership, or soon, and there was some --

Q Not tomorrow?

MR. NESSEN: I assume it is going to be held tomorrow as scheduled. There was some preview of the matters that will come up at that meeting, primarily legislation.

Q GOP Congressional leaders?

MR. NESSEN: Isn't that what I said? Republican Congressional leadership. They will go over legislation and a general discussion of the campaign that Republicans will have this fall.

Q Ron, are you ready to take a question on that particular thing?

MR. NESSEN: Sure.

Q I happen to know that Jerry Ford thought it was very important for Republicans running for office in the Congress to be organized on targeted areas from some of the discussion he had with some of the Members of Congress the other day, and I gather he still has in mind targeted areas in the country.

Can you tell us what those targeted Congressional campaigns are?

MR. NESSEN: I can't.

Q Can you find out for me? I particularly would like to know about any countries that he thinks of as targeted areas they should concentrate on.

MR. NESSEN: When would you be back to get the answers, because we had some answers to a question you left the other day and we weren't able to give them?

Q I am sorry I could not be here yesterday. I had a few other little problems. I am ready to take it today.

MR. NESSEN: You will be back tomorrow, do you think, to get the answers?

Q Yes. You can give them to me any time of the day or night. I will get them today if I can.

MR. NESSEN: All right. You want us to give you the leftover answers that we had from your question of two days ago?

Q I would be delighted, but unless you want to share it with other people, I don't want to take their time.

MR. NESSEN: Well, I want to get through the announcements, if I could, first.

Q One question on that question just asked and that is has the President written off a return to California, the trip he had to cancel this week? Is there a possibility he will go to California between now and the election?

MR. NESSEN: I have not looked at the long-range schedule yet. I will look at the schedule and see. We will announce the stops as they are firmed up.

Q Ron, on this same subject, there are a lot of people running around here with schedules that extend far beyond anything that has officially been announced. Could you not put together as complete a schedule as you can at this point and give it to us so that we can make some plans?

MR. NESSEN: Yes.

Q Will you do that tomorrow?

MR. NESSEN: Yes.

Q Can you also tell us how long the meeting with the Republican leaders lasted?

Q Ron, is there any Presidential press conference scheduled now? Can you find out?

MR. NESSEN: We have not announced a date yet but, as you know, the President is holding them frequently, and I would anticipate one relatively soon.

Q Does that mean this week?

MR. NESSEN: It does not.

Q Ron, you were in that meeting yesterday, were you not, that economic policy meeting?

MR. NESSEN: Yes. Do you want to break off now from the other announcements and go on to questions, or should I finish?

The President met for two hours yesterday with his Economic Policy Board. At 1:30 today he will meet again with the Economic Policy Board.

At 3:30 he will have his first meeting with the President's Labor Management Committee. This is more or less a get-acquainted session. It will not be a real business meeting of the committee.

This evening at 8:00 the President will host a black tie dinner honoring men and women who will be leaving Congress. This is Republicans and Democrats and we will get you a full list later today of who is going to be there.

Q What is the coverage?

MR. NESSEN: It is a private dinner.

Q Why should it be private? Are you barring the press?

MR. NESSEN: I suppose if you would want to interpret a private dinner as that --

Q I would like to know how you distinguish a private dinner from another kind of dinner.

MR. NESSEN: I think it is the President's decision of who he would like in on a private basis.

Q How many are going to be there?

MR. NESSEN: We will have the complete list for you later today, Fran.

The Republican leaders are still meeting. They have been meeting since 11:00, so it is one hour and 55 minutes so far.

Q Does the dinner preclude a trip to the hospital this evening?

MR. NESSEN: It does not preclude it, but I am not clear how it is going to fit into his schedule.

Q Would you expect then that he will go before then, at this point?

MR. NESSEN: I cannot give you any guidance on a visit to the hospital today but we will let you know later.

Q Ron, with so many people from Congress of both parties there, they are going to talk about this party afterwards and is there any reason why it cannot be covered firsthand rather than by pick-up?

MR. NESSEN: Only because it is the President's wish.

Q But do you know why he wishes that?

MR. NESSEN: I didn't ask him, Helen.

This afternoon the President will meet with Vice President-designate Nelson Rockefeller, although I understand there may be some problem with Governor Rockefeller getting here. We will let you know whether the meeting actually did take place. He filled in for the President, as you know, in Utah, and at the UPI editors' meeting in San Francisco, and he is coming in to tell the President about those appearances.

Tomorrow the President will meet at 11:00 with the Australian Prime Minister, and we don't have any further schedule of tomorrow to give you, but it will be posted this afternoon.

Q Is that a South Lawn arrival for him or is that just a working, unofficial visit?

MR. NESSEN: For the Australian Prime Minister.

For the weekend, I know the President will be here at the White House. He intends to devote virtually the entire weekend to preparing his economic proposals for early next week.

Also, next week he plans to make campaign fundraising appearances in Burlington, Vermont, on Monday evening, Philadelphia on Wednesday evening, and Detroit on Thursday evening.

Q Burlington or Barre?

MR. NESSEN: I have Burlington here, but I thought I did see Barre on another schedule.

Q Is that a fund-raising appearance or testimonial for George Aiken?

MR. NESSEN: It is listed here as a fund-raiser. There must be a difference between Barre and Burlington. I have Barre on one schedule and Burlington on the other. I can give you a little more here and maybe we can get this straightened out. We will give you the firm details as we get them. I will give you some rough times for Monday now, if you would like.

At five o'clock you should think about a press plane departure from Andrews.

Q The a.m. or p.m.?

MR. NESSEN: The p.m., a 5 p.m. press plane departure from Andrews. The President is expected to leave Andrews at about 5:30, so he will arrive at the Burlington International Airport at 6:45.

He will attend a reception and arrive at a dinner honoring Senator George Aiken at about 7:45 and will stay for two hours. That would put the President back here some time before midnight.

Q He will speak, of course?

MR. NESSEN: I would assume.

Q That is listed as a political trip, though, isn't it?

MR. NESSEN: Yes.

The President spoke by phone this morning to Senator Harrison Williams concerning the mass transit legislation now pending in Congress. The President reiterated his opposition to a short-term transit bill, and he reiterated his support for a six-year bill similar to the one proposed by the Administration earlier this year.

The President asked Senator Williams to consider an \$11 billion, six-year bill. Senator Williams replied that he would discuss this with the conferees.

Those are all of my announcements.

Q Ron, did the President initiate the call to the Senator?

MR. NESSEN: Yes.

Q Ron, may I ask a sort of procedural question from yesterday, because of an impression I got. I got the impression that you were disturbed by the fact that the questioning yesterday centered on the one topic to a considerable extent.

I got the further impression, as you left the podium, that you may have had other things you wanted to say or announce for which time was not available. Did you have something further you wanted to say or announce, just to clean up, if there was anything?

MR. NESSEN: I would say that I left here with a considerable amount of material on a variety of subjects that didn't come up.

Q Since we cannot read your mind and don't know what they are, why don't you just tell us what that information was?

MR. NESSEN: Well, I have cleaned most of that information out of the book, but just by memory I would say some of the information we had related to cutting off the aid to Turkey, relations with Cuba, fuel conservation measures, international energy conservation measures and economic proposals. I will see if any of it is still in my book from yesterday.

Q When you say you cleaned it out, does that mean this is no longer operative?

MR. NESSEN: No.

Q What about the economic proposals? What were you going to say about them?

MR. NESSEN: Let me just finish Jim's answer, if I could.

The rights of Palestinians, the GI bill, pay raise for Federal employees, campaign reform, Freedom of Information Act, consumer protection, privacy act --

Q I didn't mean your prepared answers to questions we might have asked, Ron.

MR. NESSEN: -- no-knock provision, and amnesty. Obviously, Jim, I had no other announcements to make, but I think your answer was phrased in terms of did I have anything else I could have talked about -- public service employment --

Q What I meant was whether you had any further information or --

MR. NESSEN: -- economic policies to be announced, state of the economy --

Q Ron, do you have anything you wish to give us that you didn't give us yesterday?

MR. NESSEN: Let me just finish answering his question, if I could. -- consumer participation in the inflation fighting program, clarification of the White House position on wage and price guidelines, information that would perhaps relate to Mr. Sawhill's appearance on television yesterday, the length of time the White House expects it to take to curb inflation, timing of the economic speech, taxes on gasoline and access to the President by White House staff members.

Now, to elaborate on that, it has been the policy in the format of these briefings -- and I don't intend to change the format of the briefings, they seem to be fairly well-established -- that other than the initial opening formal statements having to do with schedules and appearances, perhaps policy statements, the well-established format has been to reply to questions.

My staff and I spend from seven in the morning until the time I come out here, which is close to noon, which is five hours, plus the time of the previous afternoon, preparing information that we think might be inquired about. That is what we do each day, and that is how my black book is prepared.

I have, as you know, John Carlson, who gathers information on domestic matters, and Les Janka, who gathers information on foreign matters, and I gather information directly from the President, from Don Rumsfeld, from the other senior advisers, and we devote five hours a day to preparing it.

Obviously, I cannot come out here and read you my black book. The format of it is that you ask questions and I respond.

Q That is not precisely what I was inquiring about.

MR. NESSEN: I am sorry.

Q I merely inquired whether you had some leftover announcements, things you wished to volunteer, not things we wished to ask questions about yesterday.

MR. NESSEN: I made all my formal announcements yesterday. I obviously did not have a chance to give information that I would have been able to give if the questions in those areas had been asked.

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Q Ron, may I ask the question today? The Flanigan nomination is obviously running into trouble on Capitol Hill. Should no action come on that before Congress recesses, is it the President's intention to renominate Mr. Flanigan? Has he made any decision on that?

MR. NESSEN: I didn't ask him that specific question. I did ask about the Flanigan nomination and he is standing by his nomination of Mr. Flanigan, and I have found no evidence that there is any intention to withdraw it.

Q Can you tell us now the length of time the President thinks it will take to cure inflation?

MR. NESSEN: Well, the information I gathered the other day, in response to a question actually, was I said to you that Mr. Greenspan had said that it would take one and a half to three years from the time we began the fight against inflation.

Somebody asked me when did we start or when do we start, and the answer to that is that we have started. We started with some of the programs that this President has put into effect and the President thinks it is obviously a very difficult problem. It has taken a long time to get started, and it is going to take a long time to stop, but the one and a half to three year idea of Mr. Greenspan generally fits into the timing that the President expects.

Q Can you give us a date now for the economic message and could you discuss in some detail how planning for the content of that message is taking place in the Administration?

MR. NESSEN: Well, I think we went over that to some extent the other day. As for the exact timing, we don't have that to announce yet, but it will be early next week, I think you could say.

Q Ron, the President is scheduled out of town Monday, Wednesday and Thursday nights. Would Tuesday night be a possibility? It has already been announced.

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MR. NESSEN: What has been announced?

Q That he is going to appear Tuesday night before a joint session of the Congress about his economic program.

MR. NESSEN: That Tuesday night is not correct at the moment.

Q Is it a joint session?

MR. NESSEN: I think we will just wait until we are firmly locked into the format and the place and so forth.

Q What happened at his economic policy meeting?

MR. NESSEN: I can tell you that because I sat at one for two and a half hours yesterday, and I think we told you the other day the process which is that over 100 recommendations from the economic summit meeting are being given consideration and the Executive Committee of the Economic Policy Board is doing the initial study of these recommendations, and then is farming them out, so to speak, to the agencies or departments that would have to deal with them were they selected for recommendation and put into effect.

Now when they get back the recommendations of the agencies and departments and the committee goes over them again and makes sort of a preliminary choice and then sends them to the economic policy board, which is the meeting that I attended yesterday, the President was there.

There were some options presented to the President at the board meeting yesterday and there will be some more presented to him at the board meeting today. And I think I can say that he has made some tentative choices among the options although I emphasize the "tentative" and there have been no final decisions made.

Q Has he vetoed anything outright that you know of when you were there?

MR. NESSEN: I think when we say he has made some tentative choices, obviously the things that he did not choose have not been chosen. I would not call them a veto. He is presented with options and chooses among them or at least gives a tentative decision.

Q You were undecided on the other. Is there anything that you --

MR. NESSEN: As I say, let me emphasize now that the process is not far enough along where we have got a list on one side saying "definitely out" and one on the other side saying "definitely in". It is still a very fluid situation, but he has tentative choices.

Q Is the President meeting with the labor management committee this afternoon?

MR. NESSEN: Let me just answer Bob's question here because it follows right along.

I do think that we are getting close to the economic speech and it seems to me that from reading the papers each day there are a lot of ideas and proposals that are being presented in the newspapers as being under consideration.

I think we are too close now to the final decisions for me to really go into any detail about precisely what is under consideration, what has been rejected, and what has been chosen.

I think the President will be making his speech quite soon and we will see then what his choices have been.

Q Ron, I wanted to ask, speaking of inflation, there was a question in yesterday's rather incisive transcript, which I spent an hour studying, isn't there a little inconsistency between an inflation fight and paying these people salaries which they are not earning?

Has the President read this transcript? Did you raise the issue specifically in regard to the fact that we just don't know what one Deputy Special Assistant has been doing at \$30,000 a year since last August?

You said you were going to bring back a lot of explanation and many, many very good questions were asked yesterday, Ron, specifically this one. Isn't there inconsistency between inflation fight and paying all these people salaries for work that they are not doing?

What is his comment on that, Ron, or yours?

MR. NESSEN: I cannot give you his comment. Did I not give a comment yesterday about that?

Q You just said that his stated desire is not to put people out onto the street and how long does this go? It just was not very clear. I wondered if the President has seen -- he has not seen yesterday's transcript?

MR. NESSEN: I don't know whether he has seen or not seen it, Les. I think I mentioned yesterday that he does read these transcripts from time to time when he has time.

We are dealing with several things here. There are two laws covering the expenditure of money on the former President. One is the Transition Act and the other is the Former President's Act.

The Attorney General has ruled that these acts do apply to former President Nixon and the GAO has concurred in that ruling.

Q What does that have to do with the man working for the White House here under you?

MR. NESSEN: Well, I don't know what line of questioning you want to take but I am prepared to answer some of your questions if you would like to pose some.

Q Well, why pay this man McLaughlin \$36,000 until October 15 when he has not been doing anything for several weeks? If he has been doing something, tell us what he has been doing.

MR. NESSEN: Sarah, if you had been here yesterday you would have heard my --

Q You just gave us your explanation of yesterday and it didn't fit.

Q You said charitable and religious groups and refugee problems, and you didn't specify which ones they are. He had told Common Weal magazine that he had prepared an agenda, a suggestion, a memo to the President, that they have a religious conference. He sent it in four weeks ago and it has never been regarded.

Is that what we are paying for, one memo? I mean, is there any specificity as to what this man has done since August 8? Do you know other than what he told you?

Q He is not going to be put out on the street; the Jesuits will take care of him. (Laughter)

MR. NESSEN: Was there a question in these two discourses?

Q Sure there was.

MR. NESSEN: What was it?

Q Why pay this man \$36,000 until October 15 when he is not doing anything? He is under you. You ought to know about it. You know what he is doing.

MR. NESSEN: What was the question, Sarah?

Q For the third time, why pay this man \$36,000 until October 15 when he has not been doing anything, I understand, for several weeks. Or if he has been doing anything -- he works under you -- you tell us what he has been doing.

MR. NESSEN: Father McLaughlin explained to me, and I relayed his words to you yesterday, as to what he has been doing. He has resigned from the White House and will be leaving October 15. I am not sure I can see any further profit in pursuing the issue.

Q What has he been doing? He has been working under you allegedly.

MR. NESSEN: Can I get the answer so I can read it back precisely? I think Les gave you a pretty good --

Q Can I get to a question that affects a hell of a lot of people in this country so we can move this thing ahead, please?

There have been reports in the Midwest that farmers are destroying calves at a time of inflation and growing meat shortages because they cannot afford the price of grain to feed them.

Is the President aware of this, and if so, does he plan to address this question in his economic package?

MR. NESSEN: Well, I can't say specifically whether he is going to address it in his economic package because of the reasons I gave Bob. I can say that the President is aware of this.

Q Is he going to meet with them?

Q The radio said today that he was going to meet with them.

Q Can we have the answer, please?

Q That is part of it, is he going to see these people?

Q Sarah, we have a question that the Press Secretary is trying to answer. Please.

MR. NESSEN: Secretary Butz and Anne Armstrong, a Counsellor to the President, have both met with representatives of the Livestock and Dairymen to discuss their problems and Anne Armstrong and Secretary Butz have informed the President of the problems of the livestock raisers and dairymen.

Their needs are urgent but it would be very difficult for the President with his schedule of the next two weeks, which you know about, to meet with them. They have been told of this. They have been told that the President is fully aware of their situation and that all the facts involving their situation are before the President.

Governor Briscoe of Texas has sent a telegram to the President and the Governor has been advised that the President will not be able to meet with them in the next two weeks because of his schedule, and he has been told also that the President is fully informed of the problem and if there is anything new about the problem that the President ought to know about, that they should communicate directly with Secretary Butz who will get the information directly to the President.

Q Was the telegram to seek a meeting? Was this the purpose of Briscoe's telegram?

MR. NESSEN: Yes.

Q Did Secretary Butz meet personally with the President or did he talk with him by phone?

MR. NESSEN: I am not sure of that.

Q Do you have a comment on the slaughter of calves themselves?

MR. NESSEN: No.

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Q Or anything that can be done by the White House or the Government?

MR. NESSEN: I think Secretary Butz and Anne Armstrong are following this and as soon as they decide what can be done, I will let you know.

Q Are they trying to discourage the slaughtering of calves?

MR. NESSEN: I am just not sure one way or the other on the slaughtering of calves.

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Q Ron, without going into the details in the story in The New York Times on the front page today about the National Security Council report, can you tell us in general terms what this is all about, including who inspired it, who leaked and why?

MR. NESSEN: Which story was that that you referred to?

Q The National Security Council report on Middle East arms, page one.

MR. NESSEN: It has been our policy, and I am going to stick to it, that we neither comment nor confirm news stories of this kind.

Q Ron, is there going to be an investigation as to whether or not there was such a report?

MR. NESSEN: I can check and find out.

Q Ron, in your list of questions you said that you had some information for us concerning Mr. Sawhill's appearance on TV, and you also said that you had some information concerning the taxes on gasoline and energy conservation.

MR. NESSEN: What was the question?

Q Well, I don't know. You said you had some information.

MR. NESSEN: I don't have questions. I only have answers.

Q Tell us about it. I have a lot of questions, too.

Q I just want to know. You said you had some information and I am just trying to find out what it was.

MR. NESSEN: What do you want to talk about?

Q Does the President endorse Sawhill's gas tax rebate proposals as outlined yesterday on the Today Show?

MR. NESSEN: That is the 30 cent a gallon on tax?

Q Twenty.

MR. NESSEN: Didn't he say 30 cents a gallon?

Q Twenty.

MR. NESSEN: Twenty to thirty. I did say that we were going to try to stop talking about what is going to be in the message, but because this did come up the other day, I think it is fair to say that the President does not favor this kind of tax on gasoline. I do just want to remind you of the second part of what I said, which is that a lot of things are under study, but he does not favor gas tax.

Q Ron, if you cannot give us the specifics of the President's speech on energy conservation and inflation, can you give us something of the tone of the speech? Is he going to warn the American people that there are austere days ahead?

MR. NESSEN: I think that the President indicated the tone of the speech when he said something about rolling up his sleeves and going to work. I think the tone of the speech -- and after all, it is going to contain legislative proposals -- the tone of the speech is going to be we have got a problem, and here are some ideas that he has, and proposals on how to solve that problem, and now we should settle down and seriously get on with putting these proposals into effect so we can curb inflation. That would be the tone of the speech.

Q Ron, how does the President see the prospects, if any, for concerted United States-European action to solve the international oil problem?

MR. NESSEN: You are asking about the international oil problem?

Q I am asking how the President views the concept of a concerted United States-European, Western European program to deal with OPEC and the general international oil situation.

MR. NESSEN: Well, the President continues to believe that the price of oil is too high and that while these high prices hurt the United States, they are even more harmful to the poorer countries of the world and that a lowering of oil prices remains an important step toward coping with the economic challenge facing the world today.

The President has stressed in his recent speeches the need for cooperation between the consumers and the producers, and we would hope for lower oil prices, but at the same time we do want to work with our allies to find a mechanism for financing oil imports and recycling the oil incomes to assist nations affected by the high price of oil.

I can't give you any details of what this mechanism is going to be.

Q Ron, I am not sure I understand your answer completely. Is your answer then that the President does see the possibility for concerted action in the areas that you have just mentioned? I mean, he does favorably assess the possibility for concerted action?

MR. NESSEN: Well, he is talking about cooperation, and I think that includes joint action.

Q Ron, is the Administration now putting together a set of proposals in this area that it will at some point take to our allies?

MR. NESSEN: As you know, Secretary Kissinger met this weekend with representatives of four other countries, and the purpose of that meeting was to take a first step in consulting to foster the dialogue that is needed in this area.

Q Ron, the background on that question is that out of that meeting and out of other meetings that have been held and as a result of comments of people, such as the French, there has been a strong belief, or many reports, that the United States does not at this time have any policy for united action by itself and its western allies.

Are these reports correct? Do we at the present time have anything in the way of a policy and proposals to make on cooperation or don't we?

MR. NESSEN: Well, I saw the story you are referring to, and I think it was not correct. At the same time that the President is developing his economic proposals for next week, he is also developing some international energy policies which will also be announced.

Q At the same time? Next week?

MR. NESSEN: Well, I said I was not going to go into what was specifically going to be in the speech.

Q Did he speak with Secretary Kissinger about this last night?

MR. NESSEN: I don't know what their conversation was about last night, but I am sure he has talked to Secretary Kissinger about the weekend meeting.

Q Just to clarify, Ron, are you denying the report from the French supposedly that the U.S. went into that meeting without a proposal?

MR. NESSEN: I think for the details of that meeting we have been asking you to contact the State Department because I don't have all the details of that meeting, but I described what the purpose of the meeting was and the general area of the discussion. I think for more details you have to contact the State Department.

Q Ron, are you saying the President does not favor a gasoline rebate or a tax? What I am wondering is, have you changed your position? Does he still have an open mind on the question of the gasoline tax?

MR. NESSEN: I am not changing my position from the other day. I do want to say that now that the process of making the final decisions has started that I would rather not get into the areas of what he has an open mind about and what he has not, but I am saying exactly what I said the other day.

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Q Ron, could I follow up on that? On that does that mean that the President is leaning against that kind of thing at this point?

MR. NESSEN: I just think that I am going to have to stick with what we said which is that while the proposals are being locked up, that we should not really discuss in very much detail what is in and what is out.

Q Without discussing that, can you tell us whether he is in favor -- does he favor a surtax on income tax for those earning above a certain figure?

MR. NESSEN: I think we are going to have to say the same thing, that the choices are being made now and we just can't talk about specifics any more.

Q Can I rephrase a question, Ron?

In view of the public apprehension, not only about the continuing inflation but about the possible further sacrifices they may be asked to make by the President, will you tell me why the Administration on one day has Sawhill suggesting this tax, this complex rebate procedure, and the next day the President's Press Secretary telling us that the President does not favor it? What is the function of that in terms of --

MR. NESSEN: This is an open Administration and people are free to say what they want. I suggest that what I am telling you each day is, as best as I can determine, the White House position on not only this but other issues.

Q Ron, can I follow up on a number of questions in one lump question?

What is the President's position on the Holt amendment that was passed Thursday night by the House?

MR. NESSEN: That amendment was passed late in the evening and it is being studied, and I don't have a position to give you except that it is being studied.

Q Ron, what is the Holt amendment?

MR. NESSEN: Why don't you explain it?

Q That is all right. I just wondered, was it the reaction --

Q Ron, without getting into the specifics of what the President's package is going to propose, since so much of the emphasis has been on energy conservation, can you tell us whether there will be any recommendations with teeth -- that is, that goes beyond voluntary urging and all the rest of that -- to help cut down on consumption of energy in various forms in this country?

MR. NESSEN: Well, I do want to stick by my rule, but I also will say that there will be proposals in the speech dealing with the conservation of energy.

Q Ron, were you aware of that economic discussion? Did anybody bring out and tell the President how much it would cost to administer this rebate on the gasoline tax that Sawhill is talking about?

MR. NESSEN: You are making me violate all kinds of rules, Sarah.

Q How much did it cost? Was the President told of this, and did he consider this?

MR. NESSEN: As you know, there are several meetings of the Economic Policy Board to get ready for the speech and --

Q Yes, but Ron --

MR. NESSEN: Will you let me finish, Sarah, and I can answer your question.

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Q Can you give me a stock answer? You are not going to answer it, and I want you to answer it.

MR. NESSEN: Would you give me the question again, please?

Q Yes. Was there any discussion in these meetings with the President or his staff regarding the high cost of administering Sawhill's proposal on tax on gas and rebates to the poor?

MR. NESSEN: My answer?

Q Please.

MR. NESSEN: These Economic Policy Board meetings obviously don't go over all the areas of proposal to be made in the speech. Yesterday's meeting lasted two and a half hours; it dealt with certain subjects. Taxes was not a subject brought up at yesterday's meeting. There will be another meeting this afternoon, and I understand taxes is on the agenda.

Q In any other meeting with the President has this come up?

MR. NESSEN: I have not attended all the meetings with the President.

Q I know you have not, but at any other meeting that you know about, is the President aware of any high cost of administration of this program?

MR. NESSEN: I will ask him.

Q Ron, what was on yesterday's agenda?

Q Ron, what was the reaction of the President when the House, of which he was Minority Leader, cut his \$850,000 request to Mr. Nixon on down to \$200,000 by a vote of 321 to 62? Surely the President must know about it, and I would presume he has a reaction. Could you tell us this reaction?

MR. NESSEN: I don't know what his reaction is, so I cannot tell you what his reaction is.

Q Does he think it is deflationary?

MR. NESSEN: If I don't have any reaction, Les, I cannot give you any reaction.

Q Do you have any reaction to the shelving of the foreign assistance bill apparently until after the election? Specifically, does the President feel that the restrictions that were being tacked on cutting off aid to Turkey and Chile would undercut his authority to conduct foreign affairs?

MR. NESSEN: I think the President's position today is exactly as it was in the statement we gave you on Tuesday. The legislation still is in progress.

You are talking about the continuing resolution, I assume. The President hopes that Congress will give very careful consideration to the impact of some of the provisions attached to this legislation.

I talked to the President about it this morning, and his remarks were to the effect that negotiations are still going on. He is hopeful that the differences can be resolved. The consequences of not resolving the difference is so serious that the President believes it is essential to resolve those differences.

Q Differences in Congress?

MR. NESSEN: Differences between what he wants in the bill and what Congress proposed.

Q Does that apply to Tom's original question? He talked about a time deadline; namely, the election. Does this mean essentially before the election to get this resolved?

MR. NESSEN: Well, it is essential in the sense that the Government can only go on paying its bill under an expired continuing resolution for a certain amount of time.

Q Ron, may I ask my question now?

MR. NESSEN: Please.

Q In either the economic message or the energy conservation message, will the Congress be asked to raise taxes one way or -- we are speaking generally. I am not asking about surtaxes or gas taxes. Can the public be expected to be asked to pay higher taxes as a result of either of those two?

MR. NESSEN: As I said, Sarah, the meeting of the economic board dealt yesterday with proposals in other areas. Today's meeting, as I understand it, among its other areas to take up, taxes will be one of those, so I cannot tell you what decisions have been made on taxes because they have not been made yet.

Q What were the other areas discussed at yesterday's meeting that you attended?

MR. NESSEN: In the very most general terms now because I really am getting far away from what I said I was not going to do -- you are all such sweet talkers, though, and you can talk me into anything.

Certainly energy was discussed yesterday. Let me just get clear before I do something I don't think I should do. These were areas discussed. I will give you some very broad areas with the understanding that no final decisions have been made in any of these areas or any areas at all.

Yesterday's meeting, the general areas covered, included energy and fuel conservation, housing and prices. I don't want to go any further now. I have done something I promised myself I wouldn't do.

Q Ron, can we switch to the subject you spoke of earlier about the rights of Palestinians? What did you have in mind?

MR. NESSEN: What did you want to know?

Q What were you going to say about it? Has there been discussion between the Secretary and the President on this and a position taken towards the Palestinian issue in the United Nations?

MR. NESSEN: There is an Administration position on the Palestinian state, and the position is that we believe that the legitimate rights of the Palestinians should be taken into account in any Middle East peace settlement.

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Q What are those legitimate rights?

MR. NESSEN: But because these negotiations are now going on, I think it would be premature to discuss the role of the Palestinians in those negotiations or in any ultimate settlement.

Q Does that apply to the Geneva Conference or a statement that it would be premature? In other words, does that apply to the question of representation of the PLO at the Geneva Conference?

MR. NESSEN: Isn't that one of the matters under negotiation and discussion?

Q It is one of the forms of negotiation, yes.

Q You say we believe that the legitimate rights should be taken into consideration, Ron. What does the Government policy at present conceive to be the legitimate rights or is that to be determined?

MR. NESSEN: Well, I think I would refer you to the State Department for more refinement of this. I was asked for the American position and this is it. I cannot go beyond the official statement of policy.

Q Ron, it has been almost a week now since Senator Javits and Senator Pell got back from Cuba and the President has not met with them. Is he going to meet with them, and does the fact that he has not met with them indicate that he does not feel that this is an area that is to be explored at this time -- Cuban relations?

MR. NESSEN: No, I certainly would not get that out of it. There are no plans presently for a meeting.

Q Is Congress asking for a meeting?

MR. NESSEN: Not that I know of. The President does meet regularly with Senators and Congressmen and there might be an opportunity during those meetings for him to hear about the trip. Obviously if they ask for an appointment to tell about their trip, he would certainly consider meeting them.

I do want to remind you that what we said the other day is that they did not go there as representatives of the Executive Branch.

Q Ron, can you give us something else that you have there on Cuba in this connection?

MR. NESSEN: What would you like to know, Sarah?

Q Just look in your Cuba file and tell us what you started to tell us yesterday if anybody had asked the question.

MR. NESSEN: I am doing all your work for you.

Q You give us the answer, we will ask the question.

Q Has there been some change in the relationship of the United States to Cuba, Ron? Is the United States contemplating some change in that relationship?

MR. NESSEN: I think the latest stated position on changing relations with Cuba was given by the President at his August 28 news conference, and that is the position today and I can run over it if you would like to hear it.

Q You don't need to.

Q Ron, is the President going to sign the campaign finance bill?

MR. NESSEN: The campaign finance bill? Well, the conferees have agreed on a bill, as I understand it, and they have removed most of the provisions of the bill that the President found objectionable.

It is my understanding that there are still some items in the bill, for instance, provisions to use taxpayers' money to finance Presidential conventions and primaries and the President is opposed to that provision.

Q That is a major provision. Is it the basis for a possible veto?

MR. NESSEN: Well, the bill has not gotten here yet, Tom, and there has been no decision yet made on whether to sign it. When the bill gets here in its final form, the President and staff will go over it and will decide whether to sign it.

Q How about daylight saving time?

MR. NESSEN: That was the Administration bill.

Q You think he will sign it or has he signed it?

MR. NESSEN: I assume, he asked for it.

Q Ron, you described the flow chart of how these decisions are being made. At what point are the talks today on taxes? Is that the end of the end product or is that the beginning of the flow or what?

MR. NESSEN: No, the process is just really beginning to crank up and if you will look at the President's schedule, you will see that he has left almost all the end of the week and the weekend to make his final decision on these things.

There will be other meetings of the committee. He asked for several papers yesterday elaborating and providing more backup on some of the proposals so it is going to go on for the rest of this week.

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Q Can we be absolutely sure the stuff that he has been getting yesterday and that he will get today has already been through the agencies and has now returned to the full Economic Policy Board?

MR. NESSEN: That is the procedure, Tom.

Q That is the procedure where we stand now; it is not just getting cranked up by the executive committee and going out today.

MR. NESSEN: No, no. You might not have been here, but they met Saturday and Sunday three times. I cannot say that every single proposal has come back, but the process that we are in now is getting them back.

I was asked an earlier question about the President visiting the hospital. He will be talking to Mrs. Ford on the phone today. He may go out about 6. This is for guidance, and let's make it for your planning. He may go out at 6, possibly by helicopter, so he can go and then get back in time for the dinner.

You have probably seen the 11 o'clock report on Mrs. Ford's health and it is excellent, and he did talk to her on the phone so there is the possibility that he will not go to the hospital today.

Q Ron, two questions. First, is the meeting with the Republican leaders over, and if so, at what time. Secondly, when these economic board meetings finish and the subject has been discussed, then what happens? What is the procedure after that?

MR. NESSEN: The President will make his final decisions. As I said, he has not made any final decisions yet. He has made some tentative choices. He will go over that to make sure that those are all the final decisions, and then it will be put in the hands of speech-writers to write a speech for him.

Q But is the board making specific recommendations to him? Are they giving him, "Mr. President, here are four options in the field of energy," let's say, and he is going to pick one? Are they saying of the four options or the 20 options, we recommend 42?

MR. NESSEN: It is a pretty free-wheeling discussion, Jim, and the pros and cons of each proposal are discussed. I think there has been kind of an initial winnowing out before they take them in there for his choices.

Q Various individuals or do they all come through Seidman?

MR. NESSEN: No, various individuals present the proposals.

Q Does he actually say, "That's a good idea," or, "I tentatively approve this option"?

MR. NESSEN: We are really verging awfully close to what I should not talk about.

Q We are talking about process now.

MR. NESSEN: I indicated to you that he has made some tentative choices and as for his precise language, I don't think I ought to do that, but he has made some tentative choices.

Q Ron, there is a great deal of mystery about the processes. Mr. Seidman is refusing interviews this week.

MR. NESSEN: Mr. Seidman I don't think is refusing interviews. I think Mr. Seidman is up to his ears in getting ready for this.

Q I am told he is refusing all press interviews this week?

MR. NESSEN: That may be, but not because he does not like the press.

Q Would it be possible to brief us after the message?

MR. NESSEN: After the message? Of course.

The Republican meeting ended at 12:40.

Q Ron, is the Republican National Committee paying for the President's trips next week?

MR. NESSEN: That has been the procedure, and I don't know why it would not be next week. I will doublecheck it for you.

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Q Ron, is it fair to say the President is considering a tax increase as one way to fight inflation?

MR. NESSEN: Certainly not. I just think it is too late in the process to be saying what he is considering or not. The subject of taxes is going to be discussed this afternoon.

He could look over all of the choices and say, "None of the above."

Q Ron, when you said the President still does not favor gasoline tax, are you saying that he is definitely ruling it out, or is he still open to persuasion.

MR. NESSEN: It is too late in the process, Ralph, to really get into that. I think I will just stand on what I said before.

Q Are some of the proposals legislative in character?

MR. NESSEN: I have said that.

Q Excuse me. We know that some of the proposals are legislative in character, but could some of the proposals be implemented by Executive Order, and are they on the agenda as well?

MR. NESSEN: Since none of the final decisions have been made, I cannot answer that. I will say that the items being discussed are both legislative proposals and ideas that can be carried out without legislation.

Q This year, too, Ron?

MR. NESSEN: I believe I said earlier that when he delivers his message, he will indicate which items he feels are important enough to do this year and which can be put off until next year.

Q Ron, will he clear his proposals with the Republican National Committee people and the legislative leaders before putting them in the message?

MR. NESSEN: That is a good question and I don't know the answer to it, but I will find out for you.

Q Given the President's plans to be out of town in the evening on three of the four nights next week --

MR. NESSEN: Let's not try to pin down the date.

Q You said Tuesday night is not correct at this point.

MR. NESSEN: That is correct.

Q You also said early in the week and you also say it is going to be in speech form.

MR. NESSEN: We are going to have something for you very soon and you might as well wait for it rather than playing guessing games about the date and place.

Q Three night speeches and an appearance before the subcommittee Thursday.

MR. NESSEN: Why ask me. You can figure that out yourself, Jim.

Q You said Tuesday night is not correct.

MR. NESSEN: All right.

Q Well, are you suggesting he will give it during the day then?

MR. NESSEN: I am suggesting you wait until we announce the time and place of the speech.

Q Ron, what are the possibilities of the trade bill being signed before the election?

Q. Have you had ample opportunity today to go through the contents of your black book?

MR. NESSEN: Better than yesterday.

THE PRESS: Thank you.

END (AT 1:32 P.M. EDT)