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NEWS CONFERENCE

#64

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:45 A.M. EST

NOVEMBER 6, 1974

WEDNESDAY

MR. NESSEN: As I told some of you, or as some of you know, the President stayed in the Oval Office until shortly before 1:30 this morning watching the returns on television. He had Mrs. Ford there and Susan, and the dog, Janet Ford, Jack Stiles, Jim Brown, Rick Sardo, and Hartmann, and Rumsfeld, and myself, David Kennerly and his date.

As I have tried to tell some of you, there was no mood of a wake at all. There wasn't any depression or gloom. There were a lot of smiles and some jokes and laughs.

Q Would you call that insensitivity?  
(Laughter)

MR. NESSEN: I don't think so, Peter.

The results didn't come as any great surprise. All of you have been reporting for a long time how it was going to turn out. The President has been in politics 26 years. He has seen good years and bad years, and this was one of the bad years.

I said to him this morning when I went in, if we had a party like that for a losing year, what is it going to be like if we have a winning year? And that really was the mood, and I am not kidding about that, and I think everybody who was there would tell you that.

During the course of the evening, one of the TV -- there were four TV sets in the office, and three of them were tuned to the network coverage. One of them was tuned to the movie and, you know, some people paid attention to the movie, seriously, and joked about things that were happening in the movie. I am just trying to give you a feel --

Q What was the movie?

MR. NESSEN: I don't know. At 1:00 some picture came on with the Supremes, a musical movie.

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Q Ron, was the President watching the movie?  
(Laughter)

MR. NESSEN: I think Mrs. Ford did pay some attention to the movie and commented on it a couple of times. The President, obviously, watched the returns.

He did make a couple of phone calls. I think I told you last night he had called Mayor Washington. He also called Senator Scott, Congressman Rhodes, Senator Dole, and Governor Milliken. I was out of there a couple of times, to talk to you and to do some other things, cut some wires, and I think there may have been some other calls, which I don't have listed here.

Then he came to the office at 8:00 this morning, and he has had meetings this morning with Don Rumsfeld, General Scowcroft, Bob Hartmann, Bill Timmons, and myself. He met for a little over an hour with staff members. It was his initial meeting to begin preparation of the 1976 fiscal budget, and yesterday there were two meetings dealing with both the cuts in the 1975 budget and the upcoming 1976 budget, and the State of the Union, and some other messages to Congress. I sat in on all these meetings.

What I would propose doing is to go through my announcements and then give you a somewhat detailed report on these meetings, if that is all right.

At 1:45 the President meets with Ambassador John Sherman Cooper, the new Ambassador to the German Democratic Republic. I think we mentioned earlier in the week that that meeting was going to be on Monday, but there was a schedule conflict so it has been rescheduled for right now. Ambassador Cooper will be going to Berlin to take up his post next month, and this meeting will give the President an opportunity to provide him with his final instructions.

Q Not Berlin?

MR. NESSEN: I am sorry. Not Berlin.

Q East Berlin?

MR. NESSEN: That's right. That is the capitol of the German Democratic Republic.

At 12:30 the President will accept the First Family's 1974 Christmas Seals from Miss Vikki Carr, the 1974 Honorary Christmas Seal Chairman. Miss Carr was selected for this honorary chairmanship by the American Lung Association. There will be a chance to take some pictures of that.

At 1:45 the President will be paid a courtesy call by Mr. Henry C. Clausen, 33rd Degree Sovereign Grand Commander of the Scottish Rite Freemasons of the Southern Jurisdiction. He has his headquarters here in Washington. This is a courtesy call.

At 2:00 the President will meet with Congressman Craig Hosmer of California. Congressman Hosmer is retiring at the end of this Congress and asked for this meeting to talk to the President about some areas of legislation that he has an interest in.

At 5:00 the President will meet with Senate Majority Leader Mike Mansfield. The Senator called the President the other day from Montana and said that he was going to be leaving shortly for NATO -- I guess it is a parliamentary meeting -- and then the President would be going to Japan and they wouldn't have a chance to meet because of their travels, so it was agreed that Senator Mansfield would come in today. They both expressed interest in having a chance to talk about what this Congress can do in the lame duck session of benefit to the Country.

I am going to have a little something else about that lame duck session in just a minute. There will be a picture that you can take at that meeting.

Secretary Kissinger is in Saudi Arabia today. He is going to meet with Saudi leaders. As you know, Secretary Kissinger visited Cairo last night after delivering his opening speech at the World Food Conference in Rome. The Secretary said when he arrived in Cairo that he was visiting the Middle East to discuss with the parties their conclusions in light of the Rabat summit as to how further progress can be made toward a successful and lasting peace in the Middle East. He noted that the United States stands ready, as it has throughout the past year, to be helpful to the parties in making rapid progress toward peace.

Secretary Kissinger is reporting frequently to the President on his discussions with the various leaders, and the President is following these reports closely. The remainder of the Secretary's trips include Jordan, Syria, Israel, and Turkey. And he should be home some time this weekend.

At the end of the Cairo meeting, in case you haven't seen the copy, Secretary Kissinger said the talks were very good and he is hopeful of making progress towards negotiations.

I mentioned the series of meetings that the President has had yesterday and today. The first one was at 2:00 yesterday, and it was attended by Ken Cole, Roy Ash, Bill Timmons, General Scowcroft, Jack Marsh, Bob Hartmann, Don Rumsfeld, Bill Seidman, Bill Baroody, and myself. The purpose of this meeting was to lay out a schedule for the President's time between now and toward the end of January so that he can get into the works the various messages and the budget that he needs to set up.

A decision was made that the President will send a message to Congress, probably on the 18th of November, listing the legislation that he believes can and should be passed by the lame duck session. The final list of legislation to be sent in that message was not agreed to yesterday, but it appears that there would be something like 40 pieces of legislation that would be listed by the President. This would include the remaining appropriations, the nomination of Governor Rockefeller, and other nominations, major parts of the economic package, including the tax bill, which is now in the Ways & Means Committee, and major pieces of energy legislation, some of which have been pending there for quite a long time.

A schedule was agreed to for the preparation of this message, and for our part in this office most of you, or many of you, will be away on the Japanese trip when that is sent to the Hill. It will be put out here, and we also plan to put out what the President referred to as a scorecard to show when each of these pieces of legislation was introduced and where they stand in the legislative process.

Q Since that meeting took place before the election results were known, and since we now know at least the House will be significantly more Democratic, is there any possibility that you might review the decisions to get this legislation passed in the lame duck Congress so that a Congress that is more reflective of the will of the American people, as expressed yesterday, might treat with this material?

MR. NESSEN: Well, most of these pieces of legislation that will be listed are pieces of legislation which the President feels it is important to pass as soon as possible. Obviously, appropriations -- we are four to five months into the fiscal year.

Q I am thinking of Rockefeller in particular.

MR. NESSEN: The President really believes the United States needs a Vice President and thinks he ought to be confirmed as soon as possible.

I am not aware that there is any change in his legislative proposals or hopes based on the election returns. He wants to work with and cooperate with the new Congress as well as the lame duck session, and he believes that the new Congress in January will want to work with him.

Q Does the President believe that the election results yesterday helped or hampered his chances of getting the surcharge through the lame duck session?

MR. NESSEN: I haven't heard him speak one way or the other on that. He believes that the Congress now has a role and a responsibility in his campaign against the inflation and the economic downturn, and that the Congress is accountable for its action or inaction on the surtax and the other proposals.

Q May I ask a question on that?

MR. NESSEN: Sure.

Q Will the economic package that he sends up be identical to what he has talked about in his speeches?

MR. NESSEN: This message is not entirely an economic package. It is a list of all the legislation he wants approved in the lame duck session. Some of it will be from his economic speech.

Q And that will be identical to what we heard about before?

MR. NESSEN: That is right.

Q There will be no surprises?

MR. NESSEN: Oh, no. This is just a list of the legislation already there that he believes should be approved in the lame duck session.

Q There will be no changes in any of the programs, is that right? There will be no new programs or no changes in any that are there?

MR. NESSEN: That is right.

Q Ron, it sounds like what you are saying is you are interpreting the President's statement of last night where he said the responsibility rests with Congress to come up with some new solutions to the economy. It sounds like what you are saying is the Congress has the responsibility to act on the President's proposal, not come up with its own proposals and then the President must decide whether these are right or not.

MR. NESSEN: John, I don't know that I would put precisely that interpretation on it. The President has said, I think a number of times, that this is his economic package, based on the process that produced it and he still believes it is the best package to deal with the problem.

Q Despite the election returns yesterday, he still believes it is?

MR. NESSEN: I don't see what connection the election returns have to his concept of what it is the economy needs to get going. That was a political decision. His package is an economic decision. I don't see where one has any effect on the other.

Q If we accept the White House argument that the vote was not a vote against the Republicans, it was a dissatisfaction with the economy, there must be some dissatisfaction with the President's present proposals. Does that not follow?

MR. NESSEN: I don't know how you translate yesterday's results. Let me say this: If the Democratic Congress has a better package, the President has said all along that he will be happy to take a look at it. I am unaware that there is a Democratic economic package, but if there is one produced, and it is better, the President obviously will take a good look at it. He has said that all along, that if anybody comes up with a better package. But I don't know that there is a Democratic economic package.

Also at that meeting yesterday, some timetables were laid out for the consideration of the other matters before the President. Beginning on November 26 -- which is the day that the President should be back in the office after the trip to Japan, Korea, and the Soviet Union -- beginning November 26 for five days a week, until December 18, for an hour and a half a day, the President will go through the specific budget proposals for the 1976 budget, and will be making his decisions between November 26 and December 18.

Now, there is some further period of time where he can change decisions or continue to make decisions. I believe Christmas Eve is basically the last night for budget decisions, and it goes to the printer on New Year's Eve.

Finally, at yesterday's meeting a schedule was laid out for the President to begin putting together his State of the Union speech. The way that will work is that the President will begin to hold long meetings, also of about an hour or an hour and a half, starting this week to deal with the major sort of themes and issues that he will discuss in his State of the Union speech.

Q Do we have a date for the State of the Union message?

MR. NESSEN: I don't, but I believe it is set by law, and I believe it has to be within 15 days after the new Congress begins.

Q Will he deliver it in person?

MR. NESSEN: That hasn't been decided yet, Helen.

MR. HUSHEN: Ron, it is not set by law.

MR. NESSEN: The budget, I think, is set by law. I would think the State of the Union would be in January.

The second meeting yesterday took place at 4:00, and it was a smaller meeting consisting of Roy Ash and a number of his aides from the OMB; Dick Cheney, who is Don Rumsfeld's deputy; Jack Marsh, Ken Cole, and myself.

The purpose of this meeting was to review the proposed budget cuts for this year, which the President will send to Congress shortly after it comes back for the lame duck session.

There were no final decisions made there, but the meeting lasted for three hours. I am told that this is the longest meeting that the President has held on any subject since he became President, and some of Roy Ash's people were talking later and said that they can't recall a meeting at which a President stayed so long and took such a substantial part in the meeting.

I meant to bring the book out here, but I forgot and left it in my desk, but basically what happened was that there have been something like 144 specific cuts in the 1975 budget proposed. The President went through these department by department, agency by agency, and they were discussed, and the effects of them were discussed, and background material. As I say, there were no decisions made, but they will be made shortly.

Q What is your monetary target? Is it still \$5 billion?

MR. NESSEN: I think a little over \$5 billion is the goal.

Q Before you go away from that, Ron, I presume that means he will stay by that regardless of yesterday's election outcome?

MR. NESSEN: Yes.

Q Can I ask a question on that? Will those cuts be ready by November 18 or later?

MR. NESSEN: I think within a few days of November 18.

Q In any event while he is in Japan, is that correct, or abroad?

MR. NESSEN: Will they go up to Congress while he is in Japan? I think right in that time area, yes.

Along that line, there was a second meeting held today on the budget, beginning at 10:00 and lasting for little more than an hour. This was the first meeting to begin discussing the 1976 budget, and those who attended that meeting were Roy Ash and five of his aides from the OMB, Rumsfeld and Cheney, Seidman and Greenspan, Marsh, Hartmann, and Nessen.

It is difficult for me to describe to you what this meeting was. There were very few, if any, specific figures mentioned. It was the first philosophical discussion of where the President wanted to go in this budget. Roy Ash put it this way: He said, you are going to be, pretty soon, on the 18th of November, beginning to get into some specific choices on this budget, and perhaps it would be good for you to steep yourself -- he used that expression -- in some of the larger sorts of philosophical budget issues before you sit down and deal with specifics.

I really feel very cautious about talking about specifics, but let me tell you the kind of areas that were discussed. The very broad area of where are we in space, and why, and where are we going --

Q The space program?

MR. NESSEN: Yes.

-- State and Federal relations as they apply to programs which are jointly financed, and the long-range budget effects of various programs that are in force now. For instance, what will the budget read in 1980 for a program that may have started in the last two years? How should we evaluate the benefits of certain programs as opposed to their costs? I am just telling you these to give you a kind of idea of the nature of the discussion.

At the end of it, the President -- I think all of us there, I leaned over at one point and said, "You know, this is probably better than any college seminar in economics". And apparently the President got the same feeling, because at the end he said, "Maybe these ought to be public meetings. They are very educational." And it was, as I said, the start of the preparation for the 1976 budget.

Q Ron, was there much discussion on these various budget sessions on so-called mandatory spending and the problem of being locked into certain spending programs and trying to break out of that pattern?

MR. NESSEN: The general subject was discussed at both of these meetings. I don't know that there was any -- what did you say "break out of" --

Q Ash has said from time to time that out of \$300 billion or so, the amount that you actually have to play with one way or another was much smaller.

MR. NESSEN: Yes, very much smaller, and that was discussed this morning.

Q What is the overall goal. Has the goal been set for 1975 or 1976?

MR. NESSEN: For 1976? No, it has not, Ralph.

Q Ron, on the issue of making these things public, since you have been quoted on various occasions as complaining about the level of economic intelligence of the press corps, would it not be wise ---

MR. NESSEN: Was I?

Q Yes, you have been quoted. I didn't say you were quoted accurately, but you have been so quoted, and I wonder if it would not be wise to have Roy Ash come out at this early stage and tell us what the philosophical framework is. Then you can educate us and educate the public and educate the Administration all at the same time by doing something like that. As long as you are not getting into specific cuts -- you know he can control what he wants to say -- but it would be a useful thing.

MR. NESSEN: Based on my experience there this morning, and what I sensed was the general feeling around the table, including the President, that this was one of the most worthwhile meetings that anyone has attended, I will try that out on Roy, because I tend to agree with you.

Dick.

Q This philosophical discussion of the budget, everybody seems to be aimed at cutting back or reducing or holding in line and not expansion of any new programs. Is this a definite theme in the whole philosophy?

MR. NESSEN: No, it is much too early to get into that. I think, as somebody pointed out here, there is only a limited amount, and a very limited amount, of the budget that can be controlled up or down, and Mr. Ash went about it the other way by talking about the areas where the President has no control over the growth of the budget.

Q Ron, we were told last summer that Roy Ash had a meeting of the sort that you have just described with President Nixon in San Clemente. Did he come in to this meeting with a philosophical framework for the budget which was set by President Nixon which President Ford will be deciding yes, I will go along with this, or no, I won't go along with that? How did it work?

MR. NESSEN: Roy Ash didn't come in to the meeting with any philosophical framework. He raised questions and said these are things you should think about. He laid out three extremely broad options of how to go on this budget. Three extremely broad options for the whole sort of philosophical context of the budget. He said you could go in any of these three ways, or a combination of the three ways, and he did not try to sell any of the three or the combination of the three. It was just something the President wanted to do.

Q Ron --

MR. NESSEN: Yes, ma'am.

Q When Roy Ash first started in his office he was asked if he would give consideration on budget cuts to the crowd of people who would be most affected by the budget. Would he hear from them? Would he listen to them and go and talk to them? He said he would. I don't remember that he has. I just wondered if in your philosophical considerations here if you have given any thought to bringing in delegations of people very much affected?

MR. NESSEN: It came up in two ways, Sarah. One, as the President was going through the 144 budget cut proposals yesterday, Roy said at several points the department or agency involved does not agree with this cut, they will probably want to see you, or you will probably want to see them before you make a decision, and that was done in several cases.

The other way it was done is that some time in the next few days the departments will be asked one more time to make their arguments, and so they will have a final chance to defend the programs that they don't believe that should be cut.

Q The departments are one thing. That is strictly different from the people most affected. For instance, like Roy Ash has always cut back water and sewer works, and that affects people and cities all over this Country. He has always been for cutting that back. I wonder if he is going to hear from people?

MR. NESSEN: I tell you, Sarah, all the meetings on budget cuts I have sat in on, there has been great awareness of the defenders of the various programs that have been proposed to be cut, and if you notice, at the 4:00 meeting where this was discussed, Ken Cole took the role of a sort of advocate and tried to serve as a spokesman for the groups that would be most affected by the various cuts.

Q Ron, can you give us the three options of Mr. Ash's?

MR. NESSEN: As I said, they are extremely broad. I tell you, frankly, I would rather talk to Roy before I do that because I am just not sure that at this stage he would want to do that.

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Q Ron, on the 1975 budget cuts, if the President proposes something like eliminating the impacted aid school program, which Presidents have been trying to get rid of for 20 years or more, and if the Congress refuses to go along, as it has for 20 years or more, does the President then feel the obligation to come up with another cut so as to achieve his goal of \$5 billion in real cuts, or would he be satisfied with proposing \$5 billion in cuts to Congress which the Congress could then take or leave?

MR. NESSEN: Well, that specific question didn't come up, Norm. The President does expect and hope that Congress will act in a responsible way, and he believes that cutting the budget is a chief way of fighting inflation. He hasn't looked ahead to the prospect that Congress will reject some of these cuts, and if so, what to do about them.

Q Ron, did the President contribute anything in this meeting? You said it was a philosophical discussion, and we have heard a lot of what Mr. Ash had to say. What were the President's views? Did he make his philosophical views on the 1976 budget known, and can you give us any idea of what he said?

MR. NESSEN: The President's role in this, primarily, was to ask questions and as always happens in these meetings -- I am always amazed at the depth of his knowledge in some of these areas, since my knowledge is so thin in some of these areas.

He knows a great deal of detail about some of this legislation, I guess having worked on it over the years, maybe. For instance, he was the one who raised the question -- I think there was a discussion of a program that was going on and would continue to go on, and its budget would continue to increase, and the President then raised a question in a general way -- not specifically on that program -- about what are the benefits of this program, or actually he really phrased it very bluntly.

He said, is it working? And somebody said, in all seriousness, it is working. And the President said, well, you know, okay, it is working, but is it working enough to justify what we are paying on it. Those kinds of questions. That was one specific example of what he raised.

Q Did he set any goals or outlines? Did he give any orders?

MR. NESSEN: No, that was not really the purpose of today's meeting.

Q On that, I seem to recall that you are committed to a balanced budget in fiscal 1976. Is that still on track?

MR. NESSEN: Well, that specific point didn't come up today.

Q What was the question?

MR. NESSEN: Is he committed to a balanced budget in 1976. You know, if he said that publicly before, I haven't heard anything in the meanwhile that would lead me to believe it has changed.

Q Ron, that goes back to my earlier question. Factually, is he committed to a balanced budget? I don't know.

MR. NESSEN: Has he said that publicly?

Q Yes.

MR. NESSEN: If he said it publicly before, I have not heard anything -- in 1976 now -- I have not heard anything at any of these meetings which leads me to believe he has changed his mind.

Q How long did this philosophical discussion last?

MR. NESSEN: A shade more than an hour. It started at 10 and was over at ten after 11, something in that area.

Q Ron, if you manage to get Mr. Ash out here to explain this spiritual -- (Laughter) -- this philosophical background to us, would you also recommend that attendance be voluntary and not mandatory? (Laughter)

MR. NESSEN: This Administration believes in voluntarism, as you know, Peter.

Sarah?

Q Was there any discussion given here to a pay rise for Members of Congress and executives of the Judiciary?

MR. NESSEN: No, there wasn't.

Q Can we go on to other questions now?

MR. NESSEN: Sure. Let me just see if I finished all my stuff here. I have finished all my stuff here. Okay, go ahead.

Q I think that is a good question Frank asked. Does the President think he now has a veto-proof Congress.

MR. NESSEN: I sort of anticipated you would ask that question, and in checking around a little bit, I found out that the phrase "veto-proof" actually originated with the Democrats, and I wasn't able to pin down exactly who or when it was, but somebody thinks it was in December or January.

Q The AFL-CIO invented it.

MR. NESSEN: Did they. And apparently, it was adopted by the Democrats as their original goal for this year's election. What the President was doing in his speeches was warning the voters about a Congress dominated by one party with no restraints from the Executive Branch.

I don't know what the final figures are on the election, but it is close to a two-thirds majority, but I can't recall any occasion when Congress voted along strict party lines on a veto. The President said this morning, when I chatted with him just generally about his reaction, that he expects Congress to act responsibly. We will act responsibly, and we will meet Congress more than half way.

Q Does acting responsibly mean you agree with me or you disagree with me? Could you define what acting responsibly means?

MR. NESSEN: Sarah, I think that is a question that needs to be seen as we go through bill by bill.

Q The White House -- you have used that several times here today, and it is puzzling some people. Does that mean that the White House and the present Administration feels that when the Congress is acting responsibly they agree with them?

MR. NESSEN: No, Sarah. I have already said that the President has said if anyone comes up with a better economic package to achieve these goals, he will certainly look at it. The point is that there is a White House economic program and, as far as I am aware, there is not a Democratic program.

The President thinks -- and I think he said this all along and long before the election -- that trying to get this economy straightened out, he does not consider it a partisan issue, and he hopes that the new Congress will not consider it a partisan issue.

It is something that does require cooperation, and he does want to cooperate and he thinks Congress will cooperate. I think acting responsibly means to sit down and go to work and deal with this very critical issue.

Q Ron, I am a little puzzled. If I may, following up on a question of a minute or so ago, here you had the President going around the country warning against too many Democrats coming in, warning against an imbalance, and then last night you are sitting there and there is a rather light mood that prevailed.

It seems to me what he was hearing was the sort of thing he was warning the country against. You would think he would have been grim or something like this, and not so light.

MR. NESSEN: All I can tell you is he wasn't. He has been in politics a long time. He has seen ups and downs. He feels that when Congress gets here, the new Congress gets here, and realizes the seriousness of the problem, that they will act responsibly.

He also pointed out, just in chatting in the office this morning--and the mood sort of continued this morning, honestly--he mentioned several Democrats had virtually echoed his remarks last night.

Senator Jackson, for instance said, "We have a responsibility," referring to Congressional Democrats. Senator McGovern said, "Democrats have a responsibility to come up with their own economic program." The President said that he is ready to work as a partner with Congress to deal with these problems.

Q Ron, can I ask that same question another way, please? On the campaign trail the President spoke of a legislative dictatorship and several times he said he was afraid if there were overwhelming Democratic majorities in Congress that his power to govern would be undermined.

Is the President concerned that his power to govern has been undermined as a result of the Democratic victories?

MR. NESSEN: Well, you know the new Congress hasn't gotten here and begun work yet, and as I said, the President is holding out a hand and saying, look, these problems are too important to play politics with. Let's work together to solve them. That is what he is saying today.

Q Ron, most of the people for whom the President campaigned lost. Does he consider his efforts a waste of time?

MR. NESSEN: Let's just check now and see whether they did. I am told that he did a -- I think some of you recall he campaigned in Lincoln, Nebraska specifically for Charlie Thone who won. He went to South Carolina and campaigned for Jim Edwards, who won. Governor Ray of Iowa won.

Q Could we have a breakdown overall?

MR. NESSEN: Governor Milliken of Michigan won. Henry Bellmon appears to be the winner. Senator Packwood appears to be the winner. Garn appears to be the winner or is the winner for Senator in Utah.

If you remember, we stopped the other day in Grand Junction and the Congressman from that area, Jim Johnson -- or Jim Johnson was elected Congressman from Grand Junction.

In Kansas, Senator Dole won. I think that was our last campaign stop. Bennett appears to be the winner for Governor. I have just been handed a thing that says that Rhodes -- has Rhodes won in Ohio?

Q Yes. You are not taking any credit for that, are you? I mean, he didn't appear. Is that one of those pluses for the President?

MR. NESSEN: He did campaign in Ohio for the Republican ticket and if I remember correctly, Rhodes had another fund-raiser in another town that night. Let me go back just a little bit, too. I don't know when you count the beginning of the campaign, but as Vice President, Mr. Ford campaigned for 47 candidates for Governor, Senator and Congress. The dates were from February 13 through August 5.

Why do you shake your heads? You don't think that counts as a campaign?

Let me finish what I was saying. He campaigned for 47 candidates as Vice President. Of those, 32 won their elections yesterday. Two of the races remain undecided.

Q Do you have similar totals about his campaigning as President?

MR. NESSEN: No, I think the ones I gave you were a fairly complete list. So, in other words, 68 percent of the candidates that Mr. Ford campaigned for during his Vice Presidential period won their elections.

Let me just say, you know, we are not pulling the wool over anybody's eyes, and you can all read returns as well as the President can. It wasn't a very good day for Republicans, and it wasn't a very good day for many Republicans he campaigned for, so why kid you.

By the same token, the President doesn't see this election as a referendum on Gerald Ford. He has been President three months. He has gotten some things in the works. Some of them have not moved along very far. His own popularity seems to be rising, if you believe the polls.

Maybe people were expressing their feelings about the Watergate era. I don't think we would disagree with that, but it seems to me that the Watergate era is over, and there is a new President here now just beginning his Administration. Nobody here seems to believe that yesterday's results were a referendum on the President.

Q Ron, the original question was whether he considers his campaigning a waste of time in view of the results?

MR. NESSEN: The answer is no.

Q One aspect of that Watergate trend was that there was a very definite vote against the Members of the House, many of them who are close friends of the President who had supported Richard Nixon very strongly, he and his policies. The question is, does the President consider this any kind of a mandate for him to shift further away from the President's policies and personnel than he has already done?

MR. NESSEN: I think the President is beginning to organize his Administration and propose his new programs, his own programs, and bring in his own personnel, and I think he ought to be judged on his own, and he will be.

Q Ron, do you date the end of the Watergate era when the President came into office or as of the end of the election yesterday?

MR. NESSEN: When the former President left office.

Q Aren't you trying to have it both ways? Aren't you saying that Republicans lost because of the Watergate era?

MR. NESSEN: No, I didn't say that. I said that if some of you want to consider yesterday's election as a message from people on their reaction to Watergate, we probably wouldn't disagree with that.

Q Can't it also be said that the President has laid out an economic program, the President says that economics are the most important issue facing the country, and the country elected Democrats. Now, doesn't that say that the country does not -- the country preferred what it has heard Democrats saying about the economy than what it has heard the President saying?

MR. NESSEN: I don't know. The Democrats did not present a program, an economic program, in which the people could clearly choose between the President's program and the Democratic program. There isn't any Democratic program.

Nobody here feels that yesterday's vote was a vote of no confidence in the President's economic program. I think it would be good to get the economic program into force to see whether it works or not, and that is one of the things he will be asking Congress to do.

Q Can you really say it wasn't in the nature of a referendum on the surtax at least?

MR. NESSEN: There is no feeling here that it was.

Let me try something here. I don't think it is going to work, but I am going to try it anyhow. This morning I asked Dean Burch, Bill Baroody, Bill Timmons, Jack Marsh and Mary Louise Smith whether they would be willing to take the time today to go into some considerable detail with you on some of these questions -- after all, I never have pretended to be any great expert on politics -- and they said that they would answer your phone calls and answer your questions, those five.

I said to them, look, if you are not going to answer their calls and their questions, it is going to get me in a lot of hot water, and they said they would do it.

If I can just pause a moment, the Vikki Carr photograph will be in the Rose Garden so, if you want to go out there and take that picture, or witness that event, could you go over to the door over there? Thym is over there and will lead you around.

Q Ron, I want to ask a question related to the answering of questions.

Yesterday I asked you what the U.S. policy was toward the PLO and you suggested that I should talk to Bob McCloskey. I found that he is in Spain and it is hard to get him on the phone.

MR. NESSEN: Yes, I found that out.

Q I then went to some of his deputies and there was no answer available at the State Department. Is there a U.S. policy toward the PLO and, if so, what is it?

MR. NESSEN: Bob, because of the kind of feeling that I got here yesterday, I did take the chance last evening to look up the record of what this Administration has said since the summit meeting in Rabat and I did find that there is on the record a fairly complete statement of American policy. And I do think I want to emphasize today that what the President said at his news conference was no change in American policy. I do think that the statement since the Rabat summit is there and you should look at it.

The question of the future of the Palestinian people is an important aspect of the Middle East problem. The United States recognizes that full consideration must be given to the legitimate interests of the Palestinian people if there is to be a just and durable settlement in the Middle East.

The only question has been how to best proceed in order to reach this objective, given the positions of those involved in the negotiations.

The United States will continue to seek the answer and to use our best efforts to assist the parties to get negotiations started.

And this is exactly what Secretary Kissinger is undertaking during his present Middle East trip. I think, because he is involved in these negotiations on this point, I don't think I should go beyond that.

Q Ron, a clarification question, please.

In efforts to assist the parties in getting negotiations started -- does the parties include the PLO?

MR. NESSEN: Did I say "parties"? Where is "parties"?

Q The last sentence.

MR. NESSEN: "To assist the parties to get negotiations started!"

I am not going to go beyond this, Peter. I think we need to be precise in handling this matter and I don't want to go beyond this answer.

Q May I ask, you do stand by the President's press conference statement, don't you?

MR. NESSEN: Absolutely.

Q Ron, another question on availability. When I came down here last night, because I understood we were going to have staff available to us, and it sounded like the first time a President has ever made such an offer on election night and it sounded like a very good deal. As soon as I got here -- which was early -- I asked to speak to Mr. Timmons. I was told I had to say what I wanted to speak to Mr. Timmons about and I said, "I'm not going to do it."

Anyway, I never got Mr. Timmons and I stayed here until midnight. And I have tried to get Mr. Timmons this morning. That is one reason I was late here today, I am still trying to get him.

MR. NESSEN: How early did you try to get him this morning?

Q At about 8:30.

MR. NESSEN: I had my little talk with him after that, and with Dean, Bill Baroody, and Marsh.

Q I left my name at his office.

MR. NESSEN: You will be getting a call back, Sarah.

Q I would like to pin down, if I could, though, the figures on where the President helped on the campaign. By my list, those that you list off where he helped them get elected, there were ten.

MR. NESSEN: Wait a minute. That wasn't the way the question was posed.

Q You gave us ten races where I thought you indicated the President helped get them elected.

MR. NESSEN: I indicated that was where he campaigned and those people won, people won in those areas.

I think it is very hard to -- and the President has said all along -- it is very hard to say what affects the results of elections and I wouldn't want to be the one to try.

Q Could I finish up? You had a 68 percent figure where he campaigned as President. There are ten here that you listed and some people on the tube last night were saying there were 40 campaigns that he assisted in. Would it be a proper figure to say it is 25 percent this time, ten out of 40?

MR. NESSEN: I don't need to help you with your arithmetic, do I?

Q Were there 40 campaigns? You do need to help me if there were 40 campaigns.

MR. NESSEN: I think I threw that out. Where is that thing that was around here the other day on the shelf, the campaign stops?

Q The point is you can give it to us for Vice President, right? You have given us 47 campaigns in his Vice Presidential time. All we want is the Presidential stuff.

MR. NESSEN: Don't you have that? We have given it out so many times.

Q We want to know what your count is.

Q You are saying he campaigned for Bill Richardson in California as President. Which of these campaigns did he campaign for? You dropped one of the winners on us. It was a guy whose name is, frankly, new to me, although perhaps it shouldn't be.

MR. NESSEN: Which one is that?

Q The Grand Junction Congressional campaign.

MR. NESSEN: That was a congressman elected in Grand Junction.

Q There is no doubt Grand Junction didn't do nearly as well for Peter Dominick.

But could we get some kind of a list of the people that the President believes that he went to help because some people, I think, do feel that it might be unfair to saddle him with a loser like Richardson, who was going in losing and coming out losing.

MR. NESSEN: I will try to get that for you.

Q Could we go back for a minute to Mr. Herbers' question which perhaps wasn't answered as fully as it might be? You said that the President is beginning to organize his own Administration, bringing in his own personnel and so forth. My question is, is the election per se either in terms of the results or in terms of a point in time had any impact at all on the rate of change that this new Administration's coloration will take?

MR. NESSEN: Not that I know of.

Q It is no factor at all?

MR. NESSEN: Not that I know of.

Q Ron, a minute ago you said in response to a question on the same general area that the President was willing to go more than half way.

MR. NESSEN: Yes.

Q Does this mean the President is willing to make substantial concessions over what he has proposed and what Congress is likely to accept?

MR. NESSEN: He has said all along, Steve, if somebody comes up with something better he is not going to stand in the way of something better, as long as it goes to the same goal, and the goal is, one, to get inflation under control, two, to get the areas of the economy which are sluggish moving up again, and three, to balance the budget for this year because he believes that is the way to fight inflation.

You know, I am sort of reminded this morning of something that Will Rogers said, which was that on election day the promising stops and the alibiing starts. You know a lot of promises and charges were made by both sides up to election day, and now it is time to move on to the problems.

Q The statement was given by you in the context of introducing a new approach on the part of the President due to the election.

MR. NESSEN: I think some of you have known the President much, much longer than I have, and I think you know it is not in his nature to go to the mat with people on ideological issues. He is a man who believes in accomplishing things through cooperation. And goodness knows, he has had enough experience dealing with Democratic majorities in Congress. And I think if you understand his own nature, plus his goal of doing something about the economy, you will understand what I am saying.

Q Ron, does he propose any kind of -- sort of a mini-summit session with the leadership in Congress to try to hammer out an agreed proposal?

MR. NESSEN: As I say, he is meeting with Senator Mansfield today to talk about what can be accomplished in the lame duck session. He is sending up the complete list of bills he thinks can and should be passed. And I would think in the week and a half or so before the Japan trip he will be seeing other Congressional leaders.

Russ had a question.

Q How much of an influence does the President feel the Nixon pardon had on the election outcome?

MR. NESSEN: I haven't heard the word pardon mentioned in here, Russ, for a long time. It didn't come up in any of the discussions I sat in on.

Q Ron, can we attempt to make an afternoon paper deadline for a change?

MR. NESSEN: Margaret, it is the same problem. I sat in on this budget meeting which began at 10:00 and was over at tenafter 11:00, and I just felt that it was important to have the news of what went on at that budget meeting today. I don't think we need to take a vote but --

Q Can we take a vote about ending this thing is what I am talking about.

MR. NESSEN: Oh, I see. That is not up to me. That is up to the senior wire service correspondent.

Q Ron, can we get some arithmetic? You talked about the nominations that would be going up to the Hill again. Does this include Flanigan and Earl Silbert between now and the 18th?

Q And does it include Marjorie Lynch, the Englishwoman put on the Bicentennial Commission?

MR. NESSEN: Give me those names again. Earl Silbert and --

Q And Flanigan.

MR. NESSEN: I have heard nothing that leads me to believe that the nominations won't be sent back.

Q Is there any fresh arithmetic on that sheet of paper you just received?

MR. NESSEN: I don't think it is what was asked for over here by Norm. It is 26 stops, but you have that. As for who he campaigned for in each place, I don't have that broken down in the way that I do have the Vice Presidential stops.

Q Can you have that posted?

MR. NESSEN: If I can get somebody to do it, I will have it posted.

THE PRESS: Thank you.

END

(AT 12:45 PM EST)