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NEWS CONFERENCE

#169

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:15 P.M. EDT

MARCH 21, 1975

FRIDAY

MR. NESSEN: The President spent the morning with various members of his staff.

At 12:30, he will meet with the National Science Board to discuss how science and technology can make a greater contribution to the solution of national problems.

The members of the Board requested this meeting. In case you are not familiar with the Board, it is appointed by the President. It is part of the National Science Foundation. There are 25 members. President Ford, in his time here, has appointed six of the members.

The Board's sixth annual report and the President's letter of transmittal are being delivered to Congress today. We have copies of both of these here, which we can give you.

The format of the meeting will be that the Chairman of the Board, whose name is Norman Hackerman, will present some comments on the past activities and a little review of the Nation's research resources.

Q Where is he from?

MR. NESSEN: He is the President of Rice University.

This evening at 6:30, the President will be the host at a private dinner for people who are involved, in one way or another, in the coal industry. As some of you may know, there is a meeting that will last most of the afternoon today here at the White House with these people from the coal industry -- about 80 representatives.

They represent the companies and the unions and the trade associations, and so forth. They will meet this afternoon beginning at 1:30 in the East Room to discuss how that industry can double coal production over the next ten years, as the President's plan calls for.

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Q Do you have a list of the participants?

MR. NESSEN: I will give it to you now.

The Vice President will open the meeting. Some of the other people who are taking part are Secretary Morton; Frank Zarb; Robert Seamans, who is the Administrator of the Energy Research and Development Administration; the new Transportation Secretary, Mr. Coleman; and Russell Train of the Environmental Protection Agency.

People who are attending the meeting come from the coal producers and the unions in that industry, and also from transportation, the steel industry, utilities which burn coal, and producers of equipment used in the coal industry.

Q What time does that begin?

MR. NESSEN: It begins at 1:30 in the East Room.

Q Will the President speak to them?

MR. NESSEN: The President will speak following dinner tonight. It is a private dinner.

However, we could -- if you wanted one -- have a text of the President's remarks to distribute. That will be available sometime this afternoon if you want it.

Q There is no coverage in the East Room?

MR. NESSEN: I am told that some writers who specialize in energy and the coal area will be there, both from regular newspapers and from specialty publications dealing with the coal industry.

Q Will the wires and the nets have representatives there?

MR. NESSEN: I am told the wires and the nets will have representatives there.

Q We don't know about that, if we do.

Q How did this happen to get changed from open coverage to private?

MR. NESSEN: What was that?

Q For the event tonight.

MR. NESSEN: Was it ever open coverage?

Q You had a pool listed.

MR. NESSEN: That was my mistake, then, if we listed a pool.

Q Explain this to me again?

MR. NESSEN: I said, if you want to send a reporter you are perfectly free to send one.

Q You can send one?

MR. NESSEN: Yes. Larry thought that reporters had been invited from the networks and the wires and the major publications.

Q So, we can cover the speech tonight?

MR. NESSEN: The AP will be represented by Stan Benjamin, the UPI will be represented by Chuck Flinner, and also the Post, the Star, the Times, Wall Street Journal, St. Louis Post Dispatch, et cetera. CBS has Nelson Benton coming, NBC has Irving R. Levine, ABC has Tom Jarriel and Jules Bergman, and Time, Newsweek, U.S. News and World Report.

Q That is tonight?

MR. NESSEN: That is the afternoon meeting.

Q What about tonight?

MR. NESSEN: It is a private dinner. There won't be any coverage at the dinner except we will pass out a text of the speech.

Q Will there be film coverage this afternoon?

MR. NESSEN: It will be sitting and listening this afternoon.

Q Why not film coverage?

MR. NESSEN: Mostly because of the size of the room.

Q If there is no film coverage, we can assume there is no radio coverage?

MR. NESSEN: Yes.

Regarding personnel today, we have the President naming seven members to the National Advisory Council on Vocational Education. You have the list.

This Council has 21 members altogether. They do not get any compensation, except daily expenses.

The President also is announcing the appointment of two persons to the Board of Directors of the Federal National Mortgage Association. Jack Franklin Bennett, who is the Under Secretary of Treasury for Monetary Affairs, succeeds Paul A. Volker. The other new member is Robert R. Elliott, General Counsel of the Department of Housing and Urban Development, succeeded Sheldon B. Lubar.

There are 15 members on this Board, and they also do not get compensation, except for expenses.

Those of you who would like to take pictures and be in the pool for the meeting with the National Science Board, Bill Roberts is here to take you over.

I should say that this coal industry meeting is the first in a series that the White House plans to have with various segments of industry.

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Q Ron, when you listed the participants in the meeting, did you say union representatives, also?

MR. NESSEN: That is right.

Q Is that a Baroody operation?

MR. NESSEN: No, it is not.

Q Who set this thing up?

MR. NESSEN: I think Jim Connor was largely responsible for it.

To answer a few questions left over from yesterday, Hoc Tap is Vietnamese for theoretical studies. It is an internal journal of the Communist party of North Vietnam. It is a monthly.

It is directed at members of the North Vietnamese Communist party. Its purpose is to define and clarify the policies of the party for party members. It is not directed toward the outside world for propaganda purposes.

Q Did the CIA dredge this up for us?

MR. NESSEN: A copy fell into our hands.

Q What was the date?

MR. NESSEN: I don't have the date.

Q Can you get it?

MR. NESSEN: We will try.

I know there was some unhappiness about reading from that North Vietnamese journal, so today I thought I would read from three other journals that you have more respect for -- The New York Times, the Washington Post and the Christian Science Monitor, all of which have editorials today agreeing with the assessment of the United States government, which is that the failure of Congress to provide the aid that the President requested is a factor in the North Vietnamese offensive.

All three of these theoretical journals urge Congress to go along with the President's proposal for three more years of aid to South Vietnam.

I want to say, in response to Walt's question of yesterday -- I know you have all read these, and you know what I am talking about -- Walt did raise the question yesterday of how can the President ask for this money when the majority of American people are opposed to it.

First of all, he does not make policy by public opinion polls. But, he also hopes to persuade the public of the rightness of his course. The fact that three leading American newspapers do agree with his course -- and they have wide readerships -- hopefully would result in people coming around to the President's view.

Q To follow up on the discussion, I did some checking and the United States, between 1965 and 1973, budgeted \$135 billion 974 million for Vietnam and, as you well know, they have half a million troops there.

What makes the President think that another \$300 million can do what half a million American troops and \$135 billion could not do in the past decade?

MR. NESSEN: I think the President has explained his views on why he feels the money is needed. South Vietnam has been invaded in violation of the Paris accords, and their troops do show -- and government shows -- a willingness to fight for their independence against invasion.

There is no plan to send any American troops or other military help there, and he feels that it is right to help them fight for their own independence.

Just to give you some idea of the need for the money though, Walt, the \$700 million that Congress appropriated for this year provides no money whatever for any replacement of equipment. That is, from the beginning of the fiscal year -- July 1, 1974 -- the United States has provided no airplanes, no tanks, no armored personnel carriers; no equipment at all, in other words.

The money has entirely been spent for ammunition and fuel and to a very small extent for spare parts, but there is a great shortage of spare parts because there is not enough money for very many.

That is one reason why many of their weapons are out of service, and there is no money to replace those weapons. In fact, none have been replaced since last July 1.

I might say, incidentally, that while the United States has sent no airplanes, no tanks, no armored personnel carriers, there are indications that the North Vietnamese have received equipment from the countries which are supplying them.

Q Which are?

MR. NESSEN: I think you know the answer to that, Helen.

Q No, I don't. I would like to know what they are.

MR. NESSEN: China and Russia. Does that surprise you?

Q Did they send any personnel over to help North Vietnam?

MR. NESSEN: I am not familiar enough with that, Bob. I guess the Pentagon could help you with it.

Q Ron, are you speaking for the President?

MR. NESSEN: As always, Les.

Q Just out of curiosity, does the President feel that the Lon Nol and the Thieu regimes constitute what you have described as independence and fighting for freedom?

MR. NESSEN: I think he said that in his own words, hasn't he?

Q In other words, he feels that those two governments constitute free governments when Lon Nol allows no political opposition?

MR. NESSEN: I think he has given his views on the legitimacy of those governments.

Q Can you give us an indication of what equipment China and Russia have provided the North Vietnamese?

MR. NESSEN: I don't think this is probably the proper place to do that, Phil, but the State Department or Defense could do it for you.

Q Has there been a protest to this?

MR. NESSEN: There has been an effort to reconvene the signatories to the Paris peace accords, as I told you several weeks ago, with no results. \*

Just to finish with where the failure of Congress to approve this money leaves those two countries, the money which is available -- without the additional money being voted for Cambodia -- would provide that ammunition shipments could continue for three more weeks from now in Cambodia with the money available.

Food shipments will have to be cut off to the Cambodians on April 30 unless additional money is voted. For South Vietnam, the \$700 million appropriated for this fiscal year will enable ammunition and fuel shipments to continue until the end of the fiscal year, but in an amount that is less than 40 percent of the requirements and no equipment replacement at all.

Q Ron, what did you say? Could you repeat that?

MR. NESSEN: \$700 million has been appropriated this year, and if Congress does not vote any more, the ammunition shipments and fuel could continue until the end of the fiscal year -- June 30 -- but in an amount less than 40 percent of their needs. There is no money for any equipment to South Vietnam.

Q Ron, in view of what it has cost in the past, I want to ask this question: In view of what the United States has spent in Indochina over the past ten years, what difference is \$522 million going to make on the outcome?

MR. NESSEN: Walt, I frankly think I am not the proper person, and this is not really the proper place for a philosophical discussion of Indochina. I tried to make some specific points based on facts, and I think the President has himself spoken on the point that you are asking about.

Q Ron, has that \$522 million been specifically earmarked only for ammunition and fuel or could it be used for replacement purposes?

MR. NESSEN: Those are the items that are needed most. That money provides less than 40 percent of the fuel and ammunition that they need. So, to take money away from that to buy tanks or armored personnel carriers or planes would reduce their ammunition and fuel even lower than 40 percent.

NOTE: Mr. Nessen later, on March 21 corrected the record in a briefing for the White House correspondents and said that on January 11 the United States sent a letter to the signatories of the Paris accords deploring the violations of the accords by North Vietnam and calling for a resumption of talks between North and South Vietnam.



Q Ron, presumably the White House has some kind of dollar figure for the amount of aid being given by China and the Soviet Union. I realize it is difficult, but don't you have some kind of figure for that?

MR. NESSEN: Let me check on that for you.

Q Have we had a chance to talk to China and Russia about this?

MR. NESSEN: We have asked for a reconvening of the Paris peace accord nations, without any response.\*

Q No response at all from anybody?

MR. NESSEN: I would check the State Department for the details, Helen.

Q When was that request made?

MR. NESSEN: About two or three weeks ago.

Q Ron, there have been reports to the effect the Secretary was going to see Mr. Gromyko in Vienna or somewhere. First, is it really going to take place, or is it planned or is there something going on in that direction. Secondly, is this in reference to the situation in Indochina or in the Middle East?

MR. NESSEN: You really need to check State on whether he is going to meet Mr. Gromyko.

Q Ron, you said a minute ago that we could keep on shipping ammunition and fuel until the end of the fiscal year at the rate of about 40 percent of their requirement?

MR. NESSEN: Less than 40 percent.

Q Why are we stringing it out then until the middle of the year? Why couldn't we give them 100 percent for a month or two and let them win some of these battles?

MR. NESSEN: I don't know the details, but the State Department is in charge of the military assistance program, and you can find out from them the details.

Q Ron, I asked yesterday about the level of aid the South Vietnamese may need in the future, considering this retreat they have undertaken. You referred me to the State Department. The State Department says it is appropriate for the White House to answer that.

MR. NESSEN: Did they now?

NOTE: Mr. Nessen later on March 21 corrected the record in a briefing for the White House correspondents and said that on January 11 the United States sent a letter to the signatories of the Paris accords deploring the violations of the accords by North Vietnam and calling for a resumption of talks between North and South Vietnam.

Q Is there any feeling here on whether or not they are going to need less aid to defend this territory?

MR. NESSEN: The President's proposal for fiscal 1976 is on the record, so you know what that is. For the two years beyond that, there are negotiations going on with Senators Church and Pearson. I frankly do not know what the figure is that he feels is adequate.

Q Senator Church's office says the figures are not politically realistic.

MR. NESSEN: What figure?

Q The figure for the three-year package.

MR. NESSEN: What is the figure?

Q They did not give me the figure.

Q Ron, the figure that Senator Church cited yesterday is in the vicinity of \$6.5 billion over a three-year period.

MR. NESSEN: That is the Administration's figure?

Q That is the Administration's figure. That is Graham Martin's figure. The figure I understand Pearson and Church were first talking about is \$1.4.

MR. NESSEN: For three years?

Q For three years, or really for two. Yesterday, again Church was telling people that those negotiations have broken off. Have you checked into that?

MR. NESSEN: I did check. As far as the State Department is concerned, the negotiations are open. They are ready and willing to continue negotiations, and they don't know that Senator Church or Senator Pearson have broken off the negotiations.

Q Ron, back to Walt's question, if I may respectfully ask, you say that this is not the place to discuss philosophy, but this would seem to me to be in the area of economy.

I am wondering, have you ever asked the President about a very good question that Walt has raised: in other words, if all these billions have not accomplished it, why do we think that \$300 million more will? Didn't you raise this? Did you ever discuss this with the President?

MR. NESSEN: I think the President has made clear himself, Les, that the Paris accord has been violated by the North Vietnamese. The South Vietnamese are willing to fight for their own country and independence and that the least we can do is give them the means to fight for their own independence.

Q How long?

MR. NESSEN: The President has said he would be willing to accept an end of aid in three years, if the amount is sufficient.

Q They created a problem here without even telling us, which is to abandon the central highlands and create a quarter of a million refugees. Eventually, we will be asked to help on that. Is that not so? I mean, this is expectable. Why would we not take an end on the major strategy that is involved in this? They want us to fund it, but not to even know what is going on. Schlesinger said we were taken by surprise.

MR. NESSEN: I think, as I understand what the South Vietnamese have done, is that due to a lack of means to defend everything everywhere because of the cutback in American aid, they have decided to pull back to what they consider to be defensible areas.

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Q Ron, are you aware of any CIA or Defense Intelligence Agency estimates that indicate the amount of aid being supplied to the North Vietnamese is in fact half of what has been provided by us to the South Vietnamese? This was asserted by both Mathias and Stevenson.

MR. NESSEN: I am told that the level of aid to the North Vietnamese in the past year is the highest level ever.

Q But can you say what it is, what the amount is?

MR. NESSEN: I cannot without checking.

Q Could you check, please?

MR. NESSEN: I will.

Q Ron, does the President agree with Secretary Schlesinger that Congress, because of its stinginess, is to blame for the retreat in South Vietnam? We have been reading that all along, but he came right out and said it is Congress' fault. Is that the President's view?

MR. NESSEN: I would not simplify Secretary Schlesinger's remarks that way, Fred. I think he said, in his own words, what we have said here and what the State Department said, and President Thieu, Hoc Tap, Washington Post, the New York Times, and the Christian Science Monitor all said.

Q Does the President think Congress is to blame?

MR. NESSEN: I thought I said yesterday that clearly a factor in the pullback of the South Vietnamese was the fact they had not been supplied with sufficient means to defend the whole country.

Q Ron, our determination that \$700 million was enough for the South Vietnamese for this year was made before the current offensive by the North.

MR. NESSEN: That was a Congressional determination, Steve. The President asked for \$1.3, as you recall. Congress authorized, presumably because they felt it was needed, \$1 billion. Having authorized \$1 billion, they then only put up \$700,000.

Q My apologies. I used the wrong thing. The U.S. government asked for the supplemental appropriation for South Vietnam based on estimates of what it would take to sustain the South Vietnamese before the current offensive by the North Vietnamese. Given the current offensive, is that sum even sufficient anymore?

MR. NESSEN: Speed is important in this supplemental appropriation.

Q Are we getting any advice on whether the money we asked for before the offensive is enough?

MR. NESSEN: I was going to finish and say, speed is important in getting this help to them and rather than to have to go back and raise the authorization, it was decided to merely ask Congress to put up the amount that it had itself authorized in the interest of time.

Q This leaves the door open then for a higher amount due to the offensive?

MR. NESSEN: I don't know of plans to ask for any more than the \$300 million.

Q Ron, there is a story out of Cambodia to the effect that they are going to transfer money from USAID. Apparently, it is going to go for non-military expenditures to military expenditures. I am paraphrasing a report which I have not seen. Are you familiar with what I am talking about?

MR. NESSEN: No.

Q Is there any legal way that USAID money can be spent for military equipment?

MR. NESSEN: I have not seen the story, and I don't know of any plans to do that. I have not heard of any.

Q Is the President concerned that should Phnom Penh fall, and should Saigon come under siege, that there might be recriminations against the remaining Americans there by our allies, the Cambodians themselves, and is there any contingency plan for that sort of thing?

MR. NESSEN: I have not heard anything like that, Walt.

Q Ron, do you have any response to Senator Mansfield's criticism the other day?

MR. NESSEN: No, I really don't, Helen.

Q But do you feel that his criticism was valid?

MR. NESSEN: I don't really think I will say anything.

Q Do you have anything to say about Congress today?

MR. NESSEN: Let's see. (Laughter) The President is pleased that Senator Mansfield saw pretty much what we have been saying here, which is the tax bill was getting so loaded up with extraneous, unrelated amendments that Senator Mansfield, himself, decided to chuck it out and start all over again.

The new bill that is being considered is now beginning to get loaded up, itself, in much the same way with matters that ought to be considered separately and not in a way that will delay passage of the tax bill that the President proposed, I guess, almost 2-1/2 months ago.

I thought it was interesting that the Senate came to work at 8 o'clock this morning instead of its usual noon. But the wire stories said, I think, there were eight or 10 Members there.

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Q Ron, despite your numerous protestations about loading the tax cut bill up with extraneous things, it seems virtually certain now that the final bill will include an end to the oil depletion allowance.

At least by a major consensus the House has already agreed to that, and as of this morning, that was in the Senate version.

My question is: You have been asked a couple of times what is the President's position on repealing the depletion allowance. You have said there are so many factors involved that you could not say. Would inclusion of a repeal of the depletion allowance bother the President to the extent that he would have second thoughts about signing the tax bill?

MR. NESSEN: That bill still has to clear the Senate. I guess they put off their Easter vacation for a while to stay and finish the tax bill, from what I read. It still has to go to conference and, of course, one of the dangers is that a debate in conference over the depletion could delay the tax cut still further, but since there is no final bill to consider, I think I won't say anything about it.

Q Ron, has Senator Mansfield informed the President that the Senate will stay in session until they finish this?

MR. NESSEN: I just read that on UPI.

Q You do not have information that he has directly told the President that the Senate will stay?

MR. NESSEN: I don't, but I saw it written.

Q Other than oil depletion, can you tick off some of what you consider extraneous amendments, either on the old bill or the new bill?

MR. NESSEN: I think the new bill still has a special benefit for buying houses, and I do not know where the new bill stands now either. The President is basically opposed to any amendments other than a clean, simple tax cut to give people some money to go out and buy things with and give business some money to hire people back with. He is opposed generally to all amendments on that bill.

Q Ron, three Senators this morning suggested that Secretary Kissinger come home and leave somebody else in charge of the shuttle service, as some call it, in the Middle East.

MR. NESSEN: What in the Middle East?

Q Shuttle service. Is there a Presidential reaction to this suggestion?

MR. NESSEN: Secretary Kissinger is dealing with more than one problem when he is in the Middle East. He gets the daily cables and sends, frankly, a flood of cables back here dealing with the Far East and other places in the world.

So, he is not concentrating on only one subject, even though he is out of Washington. Of course, the President makes and determines foreign policy, and he is here and on the job. Dr. Kissinger's deputy is here and on the job, and the State Department is and the Pentagon is and the other agencies, so there is no interruption in foreign policy and there certainly is no interruption in dealing with the Indochina situation.

Q There is no thought to bringing him back?

MR. NESSEN: No.

Q The three Senators said they wanted him to come back to handle the Portugal situation.

MR. NESSEN: I see.

Q How well is President kept informed of what is happening in Portugal? How well?

MR. NESSEN: On a scale of what? (Laughter)

Q Who briefs him? What does he see? Does he read it in the papers?

MR. NESSEN: He gets a daily intelligence report every morning. He also has a daily meeting with Dr. Kissinger's deputy, and he is in touch with the State Department and Defense and the other people.

Q Speaking of intelligence, is there any intelligence consultant or assistant at the White House?

MR. NESSEN: No.



Q Ron, is the President satisfied with the developments in the Middle East since the Secretary has been out there for two weeks?

MR. NESSEN: I think it is probably not wise to make a kind of interim assessment while Dr. Kissinger still is in the middle of the negotiations.

Q Does the President have any timetable for the Secretary's return to Washington, quite apart from the Senator's suggestion this morning?

MR. NESSEN: Not that I know of.

Q Ron, has the President been giving any instructions to the Secretary about the developments in the Middle East?

MR. NESSEN: Yes.

Q Ron, does the President consider the developments in Portugal in recent weeks endangering NATO?

MR. NESSEN: There has been no sign that the Portuguese have any intention of changing their relationship with NATO.

Q Ron, do you have any answers to the questions yesterday asked about the FBI and its Alexandria operation and Clarence Kelley's presence in the White House and such things?

MR. NESSEN: Clarence Kelley is in the White House?

Q Sarah wanted to know why Clarence Kelley had not been called on the carpet.

MR. NESSEN: No. This seems to be a Justice Department matter, and it is being handled there and there is just nothing further from the White House.

Q Is Mr. Buchen in charge of the whole intelligence liaison now?

MR. NESSEN: No.

Q Will he be?

MR. NESSEN: No.

Q Will anybody? I mean, has the President assigned anyone inhouse to be the liaison with the committee?

MR. NESSEN: No.

Q Is the story wrong in the New York Times this morning?

MR. NESSEN: I would rather answer specific questions than give some sort of blanket response.

Q Is the President appointing someone to oversee the liaison on these intelligence matters?

MR. NESSEN: No.

Q He is not?

MR. NESSEN: No.

Q Ron, how could Silberman have been asked and turned down the job if he was not even being considered? Do you deny that Silberman was ever approached about taking the job?

MR. NESSEN: Which job?

Q The intelligence job.

MR. NESSEN: There is not going to be an intelligence job.

Q There is not going to be one?

MR. NESSEN: That is right.

Q So, Silberman was incorrect. The paper this morning said Mr. Silberman was already approached to take the job and turned it down.

MR. NESSEN: There were a number of approaches that were considered by the White House as far as dealing with the Congressional investigations of intelligence activities, and there will not be a single person in the White House as a kind of coordinator.

Q Is Carla Hills' husband one of those who was going to be considered?

MR. NESSEN: Rod Hills is under consideration to replace Phil Areeda as the Deputy Counsel to the President, and if he did take that job, he would be Phil Buchen's deputy and would handle the complete range of Counsel Office matters across the board without any particular speciality in one area or the other.

Some of you who know how the White House is organized know that the deputies here are totally interchangeable with the senior advisors, so he would not have any special responsibility. If he took the job, he would handle the whole range of legal matters.

Q How does he plan to deal with these various Congressional investigations?

MR. NESSEN: In the normal way that all matters are handled at the White House.

Q In the general course of events, will the matters be funneled through the Counsel's Office?

MR. NESSEN: Matters that might have a legal component to them would be considered by the Counsel's Office. Those that involve Congressional relations would be dealt with by the Congressional Relations Office. Those that deal with NSC matters would go through the NSC.

As I say, they will be handled as any matter at the White House.

Q Ron, on the specific Church letter that came down giving the four areas he wanted information on -- that was sent to Phil Buchen's office, was it not?

MR. NESSEN: That is right. As I say, it was a matter that involved legal questions, so it went to the legal Counsel's Office.

Q Ron, a member of the President's commission investigating the CIA has said that the press acted irresponsibly in reporting the CIA's salvage of the Soviet submarine. Does the President believe that?

MR. NESSEN: I guess I am not going to talk about that subject again today, Peter.

Q Can we ask you what a member of this Commission said?

MR. NESSEN: No.

Q Ron, does your return to cigarettes represent a reversal of White House policy? (Laughter)

MR. NESSEN: It represents my lack of will power.

Aldo?

Q Ron, who is filling that job now that you are considering Mr. Hills in?

MR. NESSEN: Mr. Hills is serving here on a consulting basis for the time being.

Q How much a day?

Q At the rate of?

MR. NESSEN: Pardon.

Q He is filling the job as a consultant and he would fill it as a deputy if you decided to --

MR. NESSEN: I say he is serving in the deputy capacity on a consulting basis for the moment.

Q Is that until his clearance goes through?

MR. NESSEN: Clearances are being completed, yes.

Q Ron, he is here full time?

MR. NESSEN: Starting on Monday he was, yes.

Q Ron, does Mr. Hills have any specific assignments as to the CIA matter?

MR. NESSEN: No. As I say, he is Phil Buchen's deputy and will handle the entire range of legal and Counsel Office matters.

Q Has he resigned from the Republic Corporation?

MR. NESSEN: I am not sure whether he has or not.

The consulting fee for that job is \$138 a day.

Q Has he been confirmed?

MR. NESSEN: That is not a job that requires confirmation.

Q Has the President decided what he is going to do about giving the Select Committee that report?

MR. NESSEN: The original first letter containing the request from Mr. Church, you mean? The four items? Is that what you are asking?

Q Yes.

MR. NESSEN: No. It is still being studied by the Counsel's Office for recommendations.

Q Ron, the President, several weeks ago, said it was repugnant to him about the discriminatory features of the Arab boycott, but since then Chairmen of various Senate and House Committees have charged that the Administration has not been supportive or has been blocking efforts to provide legislation that would end or confront the discriminatory features of the boycott. Has the President given any express instructions to his subordinates or does he have a feeling about this?

MR. NESSEN: I think you know what his feelings are about it. I have not heard anything about that legislation, but he certainly has not changed his strong public statement about it and his directions to the government agencies.

Q I can name you some of those Senators and Congressmen who said this, including Senator Church, Williams, and Javits, Congressman Bingham, and others.

MR. NESSEN: I think the President's statement on discrimination was strong and his instructions to the government agencies were strong, and those agencies are following his instructions.

Q Ron, one of the points on this is that the form that businesses signed with the Commerce Department under the requirement of law that they inform the government when they have been asked to comply with the boycott specifically indicates that boycotts are not illegal. It does nothing to discourage the business from respecting the boycott. Does that square with the President's statement on the boycott?

MR. NESSEN: I think some of you may know that the Commerce Department announced on March 6, as you may be aware, that it is investigating recent allegations that U.S. banking and shipping industries are violating the Export Administration Act by failing to report requests to participate in the Arab boycott. There are regulations which require companies to report to the Commerce Department any attempts to force them to participate in the boycott.

Q Those are the forms I am talking about. Those forms do not in any way discourage -- as a matter of fact they say it is not illegal to respect the boycott. In a manner of speaking they encourage respect of the boycott.

MR. NESSEN: Well, according to the Commerce Department -- and you need to get more information on this from them -- if they do not report any effort to force them to take part in the boycott, then they are subject to legal action and they are now carrying on an investigation. Also, I don't know if you are aware of a letter that the Commerce Secretary sent to Senator Javits, also on March 6. I can give you a copy of it or I can ask Fred Dent if he minds your seeing a copy of it.

Q Ron, it is precisely on this point that the Chairman of the panel has said this; especially Bingham, who introduced legislation to meet the void in the penalties in the forms that have been described. This was just a week ago. It was after the March 6 date.

MR. NESSEN: Well, it is clear the Commerce Department is investigating and has told Senator Javits what it intends to do. I can help you with the specific letters if you want to see them.

THE PRESS: Thank you, Ron.

END

(AT 1:00 P.M. EDT)

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