

This Copy For _____

NEWS CONFERENCE #312

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:37 A.M. EDT

SEPTEMBER 2, 1975

TUESDAY

MR. NESSEN: I just want to make one little correction to the material we put out yesterday on the Middle East. Did all of you get the various documents we put out yesterday?

Q Yes.

MR. NESSEN: I hope you did.

Q Some of us didn't.

MR. NESSEN: You should get them in the Press Office there.

Q How many are there?

MR. NESSEN: There are four, a statement by the President, annex to the Israel-Egypt agreement, agreement between Israel and Egypt and proposal. On the one called proposal, on Page 2, paragraphs A and B at the top of the page, they both refer to United States personnel and that should read, "United States civilian personnel." In the rush to get these out, that word was dropped in both paragraphs.

Other than that, I don't have any further announcements.

Q Ron, on that same proposal, what does it mean in the first paragraph, the numbered paragraph 1 on Page 1, when it says the early warning system, etc., will be entrusted to the United States?

MR. NESSEN: My feeling is this; Henry is coming back tomorrow night and will be briefing, I am sure, at a great rate as soon as he gets back. I would think that because of the technical nature of these and the fact that most of the people involved in the negotiations are there rather than here, I just think in the interest of accuracy and the avoidance of misinformation, I would rather wait until Henry gets back and has an opportunity to brief.

Q I would like to ask a question that is not technical. How will the President present this to Congress? Will it be a resolution, will it be a treaty, and, also, what is the price tag and why haven't we been told so far?

MORE

#312

MR. NESSEN: In answer to the first part, first, a letter is going up to the Speaker of the House and the President of the Senate, I believe today, containing these documents that were passed out yesterday, and reiterating the President's desire to have Congress vote its opinion of the arrangement.

The letter asks for suggestions from the leaders as to the best method of having Congress vote its opinion.

Now, this same letter or similar letter and the same documents will then be going to all the Members of both the Senate and the House soliciting their suggestions on the best method for having a Congressional vote. So at the moment the exact method has not been determined yet, Helen.

The second part of your question, what you referred to as the price tag, I think some of the documents put out yesterday outline some of the various portions of the agreement in which the United States has a role. But for more details on that I think we need to wait for Dr. Kissinger to brief.

Q What does it mean "vote its opinion?"

MR. NESSEN: Maybe my choice of words is not great but the President on many occasions has said that this will be a matter that he will want Congress to vote yes or no on, to accept or reject.

Q Will he be bound by the vote?

MR. NESSEN: That is what I got out of what he has always said in public.

Q Ron, that means that you don't really need any Congressional action on this, is that correct? The Administration is just showing a courtesy to the Congress in asking for its opinion or approval?

MR. NESSEN: I didn't get that feeling, Peter.

Q I am asking you isn't that what you just said?

MR. NESSEN: No, I don't think so because, for one thing, it would be likely that you would need some appropriations to pay for the technicians who would be over there, so if on no other issue than that one you would need Congressional approval.

Q Are you going to leave it until you present appropriations bills at the next session of Congress to pay for the personnel going over and also to pay for the oil for Israel?

MR. NESSEN: No, I said the President has solicited opinions from the leaders and eventually from all Members on the best method of getting a vote on the question of civilian technicians.

Q We can't pay for our own oil now, how does he think we can pay for the oil for Israel for years to come?

MR. NESSEN: I don't know that we are expected to pay for Israel's oil for years to come.

Q That is exactly what we are going to do, the State Department admits that, we are going to help them out with their foreign credits and pay for the oil they get from Iran. We can't afford to pay for ours now, how can we afford to pay for theirs?

MORE

Q Didn't the President say in one of his interviews on this last trip that he wanted Congress to vote yay or nay on this?

MR. NESSEN: That is what I keep saying. He wants a yes or no vote from Congress.

Q I can't remember when he said it.

MR. NESSEN: I think he said it in Milwaukee.

Q Didn't he say in New England or somewhere the United States has not decided to send advisers into this area? Was he saying there, in effect, he would not decide to do it until Congress votes up or down?

MR. NESSEN: You know, I think we are playing with words here. The simple fact is that he has said himself certainly on that one occasion, and I think on more occasions, that he is going to rely on a yes or no Congressional vote on this.

Q What does this do to the President's budget?

MR. NESSEN: I don't know what the cost of these technicians would be.

Q I mean the whole package of aid.

MR. NESSEN: He was asked at Camp David yesterday about a figure, and he said that was not the right figure. I think the budget effect of this will be announced, but I don't have the figures today.

Q It will break the budget in terms of what he has already conceded the budget to be?

MR. NESSEN: That is not a right assumption, Helen, that it will break the budget.

Q It will break the \$60 billion deficit line that he drew, will it not?

MR. NESSEN: There has always been money calculated for foreign aid. It is not an assumption, whatever the amounts, that it will break the budget.

Q There has been such confusion and so little in the paper about what we have to pay, all of it about the personnel. Do we have to pay a sum to Egypt every year and every year help their foreign credit so they could buy oil, to replace the oil they are giving up?

MR. NESSEN: The Egyptians are not giving up oil.

Q I mean Israeli, excuse me.

MR. NESSEN: I think I would prefer to wait and have Dr. Kissinger and others involved in this come back and give you a factual account of what is involved.

Q This is the taxpayer's money, and if you are going to bring them back to Congress to get their opinion, opinion does not mean Congress votes it up or down.

MR. NESSEN: In the case of the civilian technicians, the President will submit that for an up or down vote. As for the budget effects, as always, Congress is the branch of Government which appropriates money.

Q Can Congress vote for part of this, not all of it? They have to take it yes or no, don't they?

MR. NESSEN: I wouldn't think so. I mean, if there is aid involved, they certainly get an opportunity to vote on it.

Q When do you expect the Administration to inform the public and/or Congress of its estimate of the budget effects?

MR. NESSEN: I would say once Dr. Kissinger gets back here and starts having his briefings, he will talk about those figures.

Q Ron, the President knows this now, doesn't he?

MR. NESSEN: The total budget effect of this?

Q He has an idea?

MR. NESSEN: I think he has an idea, but he wants to be specific about it, and we will be as soon as Dr. Kissinger gets back.

Q Will he go on the air to talk about it?

MR. NESSEN: The President? No.

Q Could I follow that? Why did he decide not to go on the air in the last couple of days to announce what he said was a historic agreement?

MR. NESSEN: I don't know. It was never considered.

Q It was not considered?

MR. NESSEN: No.

Q Ron, do you know where the civilian personnel will come from?

MR. NESSEN: That is one of the technical questions that I think have to be left for Dr. Kissinger when he gets back.

Q Ron, does this agreement that he is going to submit to the Congress, does that constitute an Executive agreement?

MR. NESSEN: I am not that much of a legal adviser or parliamentary expert to know how I would describe it or how it should properly be described, but I can check on the exact phraseology.

Q May I follow up Peter's question? Surely before Kissinger left the United States he knew of the possibility of American technicians, and the thing was thought out and surely the President knew about it. Was it not then thought out as to where the American technicians would come from?

MR. NESSEN: I am sure it was. I myself just don't have the answer to that.

Q Can you give us some idea of how these people are going to be protected? The President said yesterday he wasn't at all worried they might be kidnapped or be in danger. Is there some sort of security? Who guards them?

MR. NESSEN: Have you read this, Bob?

Q Yes.

MR. NESSEN: Two of the things you are asking about I think are right in the proposal. Number three is that these people are not going to have any weapons with them other than small arms that may be required for their protection, and paragraph eight says that they will be withdrawn if the United States concludes that their safety is jeopardized.

The President feels that every precaution will be taken to make sure that these civilians are not vulnerable in case of any hostilities. More than that, the President is looking upon this more positively and rather than dealing with hypothetical suggestions of possible danger, he is looking upon them as really a symbol of the American commitment to take part in an effort to have peace in the Middle East. He sees nothing that would lead him to assume that anything is going to happen that will place them in danger.

Q The Palestinian guerillas are going to look on them as symbols, too, and they are certainly not going to look on it as a positive thing. They are going to look on it as a negative way. How do you know those people won't be in danger from those guys?

MR. NESSEN: I am not able to speak for the PLO, Bob. I didn't know you were. These people are there at the invitation of both Egypt and Israel. They are not forcing their way in there. The United States is not imposing them, they have been invited by the two sides. The President goes on the assumption that they are there because both sides desire peace --

Q But there are more than two sides. I am not trying to speak for the PLO. That is a very complicated situation there. You know it and I know it. Are you just going to put them there with a pistol and say that is enough to protect them from people out there, people like the PLO? Those people don't always do rational things.

MR. NESSEN: Of course, they are within the United Nation's zones at all seven stations, or eight stations. I just don't see how we can sit here and speculate on what might happen.

Q Are they going to have security to guard them, or are they just out there by themselves?

MR. NESSEN: They are going to have small arms for their own personal protection, and the provision, as I say, written here and given out yesterday says they would be withdrawn if the United States concluded their safety was jeopardized.

Q Isn't the U.N. emergency force responsible for that area?

MR. NESSEN: Of course, there is another provision here I did not read. It is here in black and white that they are within the U.N. zone and the U.N. is responsible for maintaining that zone.

Q Does the U.N. protect them? Is that how it goes. More than that, you have emphasized the symbolic quality of this more than the technical. Is that the whole premise? —

MR. NESSEN: No, certainly not. I am just saying this force of civilians is doing a definite technical job at the request of the two sides but, at the same time, the President feels it is symbolic of the United States commitment to help out with a peaceful Middle East settlement.

Q Is the President going to be getting any volunteers for this civilian force, getting communications from people who want to serve on it?

MR. NESSEN: They haven't come into my office.

Q The President and Secretary Kissinger seem anxious now to okay, ratify, whatever. Was there any effort made before both sides initialed this agreement to call Washington and talk with the Congressional leadership to see how they felt about this in a general way?

MR. NESSEN: I am a little reluctant to give the names of the people who were contacted, but 11 Members of Congress who are quite deeply involved in foreign policy both on the Senate and House side, were contacted in the August 12, 13 and 14 period and were made aware of what the proposal was and asked for their reaction, comments, suggestions and so forth.

Some, as you know, of the leaders of Congress were out of the country during that period and the decision was made, especially some were in China, some were in Russia, some were elsewhere, not to attempt to contact them by cable or phone because at that stage -- before Henry had actually gone back -- there was felt to be a security problem with trying to transmit these ideas over international cables, Bob. (Laughter)

Yesterday morning, before this was all made public, there was an attempt to contact 29 leaders yesterday morning to give them what is called prenotification. Some were not available, but I would say most of them were and were given a briefing on this and again their opinions and suggestions were asked for.

There has been a fair amount of Congressional consultation.

Q Do you have a reading on how they responded, their sentiments about this?

MR. NESSEN: I think most have spoken publicly or will certainly today, along the same lines of their private comments to Max.

Q Sentiments about what?

MR. NESSEN: Some like it a lot; some were noncommittal; some raised questions.

Q They were not told any more than what we were told in these papers handed out? Were they told any more than that?

MR. NESSEN: I said back on the 12th, 13th or 14th of August they were given an indication --

Q About our paying for Israel's oil for years to come?

MR. NESSEN: They were given an idea of what was proposed. Why would there be hesitancy to tell them?

Q Because they are not giving out anything to us.

MR. NESSEN: I say it will be given out when Henry gets back and can provide the full details of it.

Q Why wasn't it given out to this 29 or 11 or 13 men who were talked to before? Why wasn't it given to them?

MR. NESSEN: They were told all there was to tell.

Q Do you know what the President's schedule is for seeing Kissinger?

MR. NESSEN: Henry will be back tomorrow and the return was somewhat open because of the stops he is making on the way home. I believe it varies between 3 p.m. and 9 p.m., something like that.

Q Is the President going to wait at the airport? (Laughter)

MR. NESSEN: No, he is going to call information and get the recorded announcement. (Laughter)

Q How will the President go to Andrews? By helicopter?

MR. NESSEN: I don't know the details.

Q He will see him when he gets back?

MR. NESSEN: That is what he said yesterday at Camp David.

Q Was that pre-notification under the War Powers Act talked about?

MR. NESSEN: No, it was not.

The second part of Helen's question is: He will of course, see the President tomorrow night regardless of the time he gets back. As the President said, there will be a bipartisan meeting of Congressional leadership Thursday morning at 8 o'clock.

Q Would you expect Kissinger then to brief Thursday afternoon at the earliest?

MR. NESSEN: Yes, I would think the earliest.

Q That pre-notification, the word you used, you say it is not under the War Powers Act?

MR. NESSEN: No.

Q The War Powers Act requires that he calls leaders, each of several committees, leaders of the House and Senate and the information you gave seems to indicate that is the people he called.

MR. NESSEN: It may have been the same people but not under the War Powers Act.

Q It was simply a courtesy?

MR. NESSEN: No, I think you have to make it stronger than a courtesy, the President has said all along he wants Congress to be a partner in this, I think he used that word, and even went further and said we don't want the same kind of situation we have had in the past where Presidents have committed the United States to things where the Congress didn't have opportunity to vote on it.

Q We have aerial reconnaissance and we have civilian personnel going over there under the aegis of the Government, the War Powers gives the President the right, after notifying Congress, the right to protect those people if they need protection. I am trying to find out if the President is acting under that?

MR. NESSEN: It is my understanding he is not.

Q What is the White House preference the way the Congress should vote on this? Should it be by committee or by the full Congress. I asked yesterday was it by full vote?

MR. NESSEN: It should be full vote. Whether it is done on a joint resolution, whether it is tacked as an amendment to some bill nearly through, or whether done on appropriations or what, the President is asking the Congress for its preference and it will be done by the full Congress and not the committees.

Q Can we assume that the majority of people contacted indicated that they would probably go along with the idea?

MR. NESSEN: Yes, easily.

Q Ron, how soon -- do you have any deadline for Congress to act on this?

MR. NESSEN: No, the White House certainly has not imposed any deadline and there are certain steps that need to be taken to get this thing underway. It will be signed in Geneva on Thursday, I think you know, and there is a two-week period of consultation between the two sides to set up the machinery and so forth, so it is several weeks away before it goes into effect.

Q But it is hard to believe the White House has no idea where these highly-trained technicians are coming from. Are they coming from the de-frocked military, CIA? (Laughter)

MR. NESSEN: De-frocked, I am not sure that is the right word. I am not saying the White House does not know where they are coming from, I am saying I don't know where they are coming from.

Q Does that mean if Congress has not acted by the time this goes into effect, that you would send the technicians there until --

MR. NESSEN: You know, again I think everybody assumes the worst. I don't think we should assume the worst. You know, as the President said in his statement yesterday, this is a significant step forward toward peace, and from the comments that have been obtained from the Members of Congress, you know, most of them share that, so I wouldn't say that you should assume that it won't be approved in time to take effect.

Q Ron, you said you were going to give them later today copies of these same papers you gave us?

MR. NESSEN: Yes.

Q And you said a moment ago in response to a question that they were given full information, the Members of Congress, on the whole thing. Can we see the papers given to the Members of Congress?

MR. NESSEN: At the time they were initially contacted in the 12, 13 and 14 period, these documents had not been drafted.

Q Can we see the papers you gave them where you gave them full information?

MR. NESSEN: You had them before the Members of Congress had them, Sarah.

Q No, this is not full information, there are whole areas left out here. You said in response to my question that you gave them full information on the agreements?

MR. NESSEN: You have the agreements in black and white in front of you. You have the protocol to the agreements.

Q I want to know if they were given the information on the oil or the payments we are going to make to Israel and that is not in there.

Q Do you accept Sarah's premise?

MR. NESSEN: No, I don't and don't know what Sarah's premise is based on.

Q It is based on the State Department, anybody can call the State Department and get information, which I have done several weeks ago.

MR. NESSEN: The State Department said something was left out?

Q No, they said what I said, that we will be paying Israel for the oil she gives up.

MR. NESSEN: I think the President said that.

Q We will be doing that for years and years to come, that is not in these papers you said you gave to Congress.

MR. NESSEN: I don't know that we are paying Israel for the oil she is giving up. The President has said and so has Dr. Kissinger --

Q They have indicated --

Q Sarah, let him answer.

Q I am, but I want to clarify my question. If they indicated a price tag, just give us the price tag.

MR. NESSEN: Sarah, my view of a briefing is to put out factual information. I don't have the factual information that you are asking about but Dr. Kissinger will be here Thursday and will be able to answer all these questions. I would rather have them answered factually and correctly than my sitting here speculating and guessing.

Q Ron, do I understand your answer to Phil's question a few minutes ago that your soundings of various people that you have talked to on the Hill indicate that the majority will go along. I think you said, "Oh, yes, easily," on the technicians question.

MR. NESSEN: Right.

Q The reason I want to come back to that is I know we haven't talked to them ourselves but those we did talk to, like Mansfield and Albert, who are certainly in positions of influence, have both indicated either flat opposition or considerable reservation.

MR. NESSEN: What is that, two?

Q I understand it is only two but they are the Democratic leaders of each body.

MR. NESSEN: Well, I don't want to -- I don't think it is proper for me to report from here the specific reactions of specific Members. Let me see if I can quickly count -- House Members, -- let me give you the ideas without giving you the names.

Q Would that be 29 plus 11?

MR. NESSEN: Some of them are duplicates. Non-committal but leaning positive, generally positive but has many questions, reserving judgment, receptive but non-committal --

Q Wait a minute.

MR. NESSEN: I thought you were trying to get an idea.

Q Is there any way you can categorize?

MR. NESSEN: Let me go through the list. Number 1, the gentleman says non-committal but leaning positive; Number 2, generally positive but has many questions; Number 3, reserving judgment; 4, receptive but non-committal. Here's one that couldn't be contacted, wants to help but non-committal until he receives a fuller briefing. Here is a gentleman that expects trouble on the technician question, a gentleman that says simply okay, another says okay but interested in cost, another says okay, another says no problem with the technicians but concerned about the cost. Those are all House Members.

On the Senate side, okay, here is one with serious problems with the technician feature, non-committal, okay, receptive, okay, will do all he can to be helpful. Those are all Senators.

Here is a Senator, very supportive, another Senator believes any questions can be worked out within the committee, another one, a House Member, very happy, will do all he can to support, another House Member very supportive, another House Member thought the agreement was an excellent one, a Senator -- his only concern is what will happen to the technicians if war breaks out, another Senator very supportive, a House Member, given the alternatives, he thinks the agreement is okay and will make no comments until he is fully briefed, another House Member unhappy about the technicians but will support the agreements, another House Member in total support of the agreements, another House Member fully supportive, said he thinks the agreement is brilliant. (Laughter)

Q What was so funny about the last one?

MR. NESSEN: I don't know.

Q A couple of things are still not clear in my mind, mine and maybe other people, about this proposed compromise the President discussed with Senator Mansfield last Friday --

MR. NESSEN: Are we finished with the Middle East?

Q No, we have been told if the technicians were sent they would go there purely in a supporting role as technical experts, is that your understanding?

MR. NESSEN: I think it is spelled out in the agreements.

Q That is why I have difficulty understanding this agreement which says the entire early warning system includes the Israeli and Egyptian warning station will be entrusted to the United States.

MR. NESSEN: I would really prefer to let Henry deal with that question.

Q Before we move on, can I also make sure that I understand this correctly when you talk about a vote up or down by Congress. Are you saying in effect that if the Congress refuses to give its approval that we will not be able to send our technicians in there?

MR. NESSEN: That is my understanding, but, again, I would wonder why you assume the worst.

Q I am not assuming anything, I am just trying to get this cleared up.

MR. NESSEN: The simple answer in response to a simple question is yes we would not, or no we would.

Q Do you know the number of technicians? The President seems to use some figures and Secretary Kissinger others in the proposal.

MR. NESSEN: Basically the answer is, it is believed that 150 is the correct number. There -- the precise number it is not possible to settle on because these stations have to be manned in shifts and it is not clear now how many men will be required for each shift. The very top number is 200 but at the moment it looks much more likely 150 is the correct number.

Q I have up to 150.

MR. NESSEN: I think 200 is in there.

Q Going to Dick's last question, the simple question of what if Congress should disapprove this agreement. Did both the Israeli and Egyptian Governments understand, or were they given clearly to understand in the event Congress did disapprove, the agreement would be off as far as the technicians were concerned. Was that clearly understood by both parties?

MR. NESSEN: As far as I know it was.

Q Is there anything in the agreement that specifies that, that this is contingent on Congressional approval?

MR. NESSEN: I think you have the President's public statement on a number of occasions.

Q It is not in the agreement per se?

MR. NESSEN: I have to check the exact language of it.

Q It is the President's understanding if the Congress doesn't go along, the agreement on both sides is off or is it subject to renegotiations?

MR. NESSEN: I think the Israelis and Egyptians have both spoken on this. Again, I don't know why we assume it won't be approved.

Q We went into a Vietnam War -- maybe you have forgotten -- and I think maybe the reason for some of the assumptions of danger are very implicit in our past.

MR. NESSEN: I think it is important to keep separate how this varies a great deal from any Vietnam experience. You have here civilian technicians of a very limited number, and basically unarmed, being invited in by both sides in a conflict, being invited into a situation that already has a United Nations force, being based within the borders of the United Nations force. It is not a question of a country sending armed troops or armed advisers in to help one side against another. I see no analogy or similarity to the Vietnam situation.

Q Can we go back to the safety issue one more time? We talked around the edges of it but I never heard you say flatly the President believes the observers would be protected by the UN forces.

MR. NESSEN: I need to check the legal language of the documents but they are within the United Nations area and I will check that for you to find out the precise statements.

Q In the event Congress does not act, does the President feel he is free to send in technicians?

MR. NESSEN: The President has said he wants Congress to be a partner in this to vote yes or no, and I think we can conjure up all sorts of hypothetical cases, but, again, there is no reason to believe they are not going to vote at all and there is no reason to believe they won't vote in favor.

Q When does the President hope and expect Congress will take this affirmative action?

MR. NESSEN: I would think within a couple of weeks.

Q Does the President believe that Congress will approve the agreement?

MR. NESSEN: Yes.

Q Why?

MR. NESSEN: Partly based on the sounds that have been taken and partly because he believes it is a logical step and an important step, and certainly Israel and Egypt agree.

Q Would there be any objection to the kind of vehicle it would require? Other foreign agreements require two-thirds?

MR. NESSEN: At this moment he has asked Congress for its idea of how this would be approved and I think we should wait and see what kind of ideas he gets back.

Q Was there a situation where technicians from other countries could not participate under the UN flag in this same exercise?

MR. NESSEN: I think he was asked that yesterday at Camp David, I don't have the transcript, but if I recall it was to the effect, Number 1, there was a question of whether you could find technicians who could man this sophisticated equipment, and second, there was the desire expressed by both Egypt and Israel that the technicians be American.

Q Why?

MR. NESSEN: You will have to ask Egypt and Israel.

Q Does the vote have to be yes or no, or could there be a compromise?

MR. NESSEN: Maybe, or none of the above. (Laughter)

Q Why do you say you have to ask Egypt or Israel when it is Americans we are dealing with?

MR. NESSEN: Helen's question was --

MORE

Q I know what her question was. Your answer seemed very flippant about that.

MR. NESSEN: I didn't mean it to be flip. The question was, why did Egypt and Israel want these to be American technicians. I am not sure of the answer.

Q Is it possible they want our presence and involvement in the Middle East for the first, actual manpower?

MR. NESSEN: I just don't know the answer to that, Helen.

Q Was there any part of the agreement we don't have? Was there a separate letter covering the possible expulsion of Israel from the United Nations?

MR. NESSEN: Not that I am aware of.

Q Ron, I am wondering if you can answer my question.

MR. NESSEN: I have forgotten what it was.

Q It was whether Congress has to say yes or no or whether there could be a compromise.

MR. NESSEN: I just can't foretell the future. I don't know why there wouldn't be a yes or no answer, why there wouldn't be a yes answer, frankly.

I have no reason to believe there won't be a yes answer.

Q Ron, you say that this proposed stationing of technicians has no similarity or analogy with Vietnam. Does it have any similarity with any other previous American commitment or use of personnel overseas? Is there a precedent?

MR. NESSEN: I will have to do a little research on that one. I don't have it at my fingertips.

Q In reply to Saul, I am not sure how broad your answer was. I think he had two questions. You are not suggesting we have all the documents involved? Is there not a fourth private understanding not given to us?

MR. NESSEN: If there is, I don't know about it, but you could take it up with Dr. Kissinger when he gets back, if you have that feeling.

Q Will we pay the technicians who are going over?

MR. NESSEN: The details of who is going over and who pays them you will have to ask Dr. Kissinger. It is a detail I don't know.

Q Can we get the Mansfield position? As nearly as I can tell, the President has indicated he would accept a simple extension from between 30 and 45 days with the proviso he would have been assured during that period that Congress would take concrete steps towards passing or actually pass -- which is it?

MR. NESSEN: I don't think it is concrete steps. If you read the announcement of last week, he needs to be reasonably assured that Congress will pass a phased decontrol during that brief extension period.

Q Does he expect that to also include the windfall profits tax scheme he has been talking about and the rebate plan, the whole package?

MR. NESSEN: Yes, he does.

Q When he talks with the leaders Thursday morning, that will be both on the Middle East situation and oil decontrol, right?

MR. NESSEN: Actually, three subjects will be on the agenda Thursday morning; number one, the Middle East; number two, the energy and number three, he would like to hear from some of the Members who have been traveling overseas this summer on their observations of the places they have been.

Q How long a meeting is this?

MR. NESSEN: Two hours is what he has for it because it begins at 8 and he must leave at 10, and there are no other items on his schedule that morning.

Q Ron, does the President still plan to travel to China this year?

MR. NESSEN: There is no change in his plans.

Q When is Sadat coming?

MR. NESSEN: There is no date for the Sadat visit.

Q Have you heard any conversation --

MR. NESSEN: Some people think that was a phone operator who got that invitation yesterday. (Laughter)

Q Last time it was a camel driver. (Laughter)

Q Ron, in recent days, has the President or anybody close to him in your presence spoken about the fiscal situation in New York City or expressed any concern? You would tell us. Has there been any talk any way at all here?

MR. NESSEN: I think it does come up from time to time, but there has been no change in the Administration position, which is that there is nothing that the Executive Branch alone can do to help New York City. It is really a city and State problem. Any Federal help would require Congressional action.

Of course, the Federal Reserve Board is already on record, I guess through Dr. Burns, as saying they would do what needs to be done to prevent any banks from having difficulties because of whatever may happen in New York.

Q Let me back up. When Carey and Beame were here and asked for aid, they got advice. There has been the report lately that the White House is somewhat concerned about the fact that New York City is actually going down the financial drain and what effect this could have on the entire country.

This has been reflected throughout the country, and I wonder whether the White House is reacting in any way.

MR. NESSEN: I am saying to you, Cliff, there is nothing the Federal Executive Branch can do alone to help New York City. If there were any Federal action, it would require Congressional legislation and Dr. Burns, who operates independently at the Federal Reserve Board, has said publicly he would do what is necessary to help banks.

Other than that, there has been no change in the Administration position.

Q Ron, anytime the Executive Branch needs Congressional enactment, they go to Congress and ask for it. I think what Cliff is trying to get at is, has there been any movement, has the Administration shown any inclination to take a step like that, or are we literally back here where we were before where the President indicated he has no plan to go to Congress?

MR. NESSEN: There is no plan to go to Congress now.

Q You are denying the New York Times story of Sunday?

MR. NESSEN: I may have missed the New York Times story.

Q They said the United States was concerned about this, that there was a shift in attitude.

MR. NESSEN: I did read that story. Certainly the situation is being watched and followed, but as far as cranking up for any Federal help other than what the Federal Reserve Board has pledged to do, I don't know of any Federal help that is being prepared.

Q Has there been any discussion of possible Executive Branch initiatives to help New York City?

MR. NESSEN: I have not sat in on every single meeting. Certainly at the level of the President I am not aware of any discussions.

Q Ron, the FAA has had an acting administrator for five months now. Is the President about to appoint a new one?

MR. NESSEN: I don't have any timetable for a new FAA administrator.

Q Anything about a change in GSA?

MR. NESSEN: Like what?

Q Like a new man there heading it.

MR. NESSEN: I think you already have Art Sampson's resignation, so there will be a new GSA administrator appointed, but I don't know when.

Q On New York City, has the President been presented with any sort of analysis of the fiscal and economic impact of a default on the country at large?

MR. NESSEN: I think in general terms he has been kept posted on developments in New York City. I think that is about all I know about.

Q I wasn't here last week. Maybe you went over some of this. Are you planning to put out some figures about who is going to pay for what on the President's trips?

MR. NESSEN: When the formula is submitted to the FEC, at the same time we plan to publish it here in the press room, and probably have someone down to explain it in more detail and answer questions.

Q Would it be possible we could get some figures on what this travel really costs; in other words, how much the security costs, how much it costs for the advance people to go; in other words, get a true figure on how much this really costs, not what the RNC pays, or the campaign committee, but what it really costs.

MR. NESSEN: It is hard to put those figures together, Bob, because the Secret Service handles its expenses and WHCA handles theirs and the RNC pays most of them.

Q What we need is some help from the White House in dealing with the Secret Service on this. They refuse to give us figures on this because they say this might jeopardize the life of the President. We don't necessarily need the numbers of security people, but we need an accurate figure on just how much it costs when he goes out.

MR. NESSEN: I am not sure, without a lot of time by a lot of people, it is going to be possible to get that, Phil. I have felt all along the important part here was not how much that car cost in the motorcade or that hotel room, but rather the taxpayers are not being asked to pay for anything that has a political purpose to it.

Q But they are. They have to pay for the Secret Service, who go out on political trips. The RNC doesn't pay for that.

MR. NESSEN: That is mandated by law.

Q We are asking for help from the White House because the Secret Service won't give us figures.

MR. NESSEN: I will talk to the Secret Service, but if they feel the figures will jeopardize the President's security, I have no alternative.

Q Why would it jeopardize the life of the President to know how much the Secret Service spends on travel per diem or WHCA people? Why would it jeopardize anybody knowing what those people pay on travel?

MR. NESSEN: I have not talked to either of those, but I will. Let's keep our eye on the ball.

Q It is the tax dollar, that is the ball, and we all pay them every week.

Q We are worried about the deficit, Ron.

MR. NESSEN: You know, one point is I guess we have had this debate every day for a couple of weeks now about political travel masquerading as Presidential travel, and I guess we are never going to convince each other.

One point I didn't make last week was, you look back over the past couple of weeks and you see Senator Humphrey coming out and Wendell Anderson coming out to meet the President and Mayor Daley and Mike Mansfield and so forth, all prominent Democrats, and they clearly must feel that the trips that at least they are involved in are Presidential trips or it seems to me they wouldn't lend their names and appearance to a trip they considered to be purely Republican or Ford the candidate.

Q Fine. Then you get us the cost of the Presidential trips. I don't care if you want to call them what you call them. We just want to find out the cost. The people will decide what they are. They will put their title on it.

MR. NESSEN: I will make that effort.

Q The President was a member of the Warren Commission. Does it disturb him, the stories that are coming out of Dallas and Houston in connection, I believe, with one story that the FBI had kind of a warning on Oswald, and the letter?

MR. NESSEN: I failed to ask him about that, but I will check it for you.

Q Does he have any reaction to the statement of labor leaders on the broadcast media this weekend opposing him and his policies?

MR. NESSEN: I think he made his own statements on the questions of unemployment and so forth.

Q No, I said reaction to what these labor leaders said about his Administration.

MR. NESSEN: No.

THE PRESS: Thank you, Ron.

END (AT 12:25 P.M. EDT)

#312

AT THE WHITE HOUSE

WITH RON NESSEN

AT 8:19 P.M. EDT

SEPTEMBER 2, 1975

TUESDAY

MR. NESSEN: There is not all that much to say, really. I think Governor Carey gave you a report on his view of the meeting. The meeting lasted from 6:55 to 7:40. You have a list of participants. The Governor was there, of course; David Burke, who is the secretary to the Governor; Peter Goldmark, who is Budget Director of the State; John Hiemann, Secretary of Banking; Felix Rohatyn, an adviser on this matter; J. Simon Rifkin, who is also advising on this matter; Arthur Leavitt, the State Comptroller; Bill Ellinghaus, the Chairman of the Board of MAC, and Michael Nedel, the Assistant Counsel to the Governor. Those attending from the White House were the President, Don Rumsfeld, Bill Seidman, Alan Greenspan, Edwin Yeo.

Q Who is Edwin Yeo?

Q He is the new Under Secretary of the Treasury.

MR. NESSEN: That is right, the new Under Secretary of the Treasury.

Richard Dunham of the Domestic Counsel, Rod Hills of the Legal Counsel's Office, Jim Cannon of the Domestic Counsel and Jim Falk of the Domestic Counsel, Dick Cheney and myself.

I think you already know that the President has been concerned about the financial condition in New York City for the past six months or so and at his request Treasury Secretary Simon and other Administration officials have been monitoring the situation.

Governor Carey and his associates came down this evening to meet with the President and other officials of the Administration. They described the financial circumstances of New York City and also described the recommendations that he is making to the New York State Legislature.

MORE

#313

Governor Carey described the difficult period of adjustment that will be needed to restore confidence in the City's financial practices and its long-term economic wellbeing.

As their efforts to restore the City's economic health proceed, the President said he would ask Federal departments and agencies to continue to stay in close touch with the officials involved and to report to him as appropriate.

The President said that his door was always open for discussion, such as the one this evening. The President expressed his sympathy for the people of New York and to those working to resolve the problem.

That is basically all I have.

Q Ron, is there any sense of a softening of the Administration's previously stated position concerning New York City?

MR. NESSEN: I would say that there was no change in the Administration's position, which is one of -- as the President said -- keeping the door open for discussions, sympathy for the people of New York and those working on the problem, monitoring of the problem and reporting to him when appropriate.

MORE

Q Ron, the impression was left from the discussion out on the lawn that if the State Legislature goes ahead with what Carey describes as a high-risk program that would involve the state's credibility rather than just a city's financial stability, that then the Administration might have a different attitude and might react differently than it would if it were just New York City and its money involved.

MR. NESSEN: I did not hear anything at that meeting that would lead me to believe that that is a correct conclusion. My understanding is that Governor Carey didn't say that.

Q I will be glad to play the tape portion. My question was, is it true the State would have to act first before the Federal Government could do anything? He said, "Absolutely, the Federal Government can't act if we" -- and follow-up questions did leave the impression -- he also said at one point that one Administration official had said that if the State's credibility were involved, it would be different than a city and the precedent of hundreds of thousands of cities that could get in trouble, although that was a big "might."

Q He also said they are going to wait and see if we adopt a plan.

MR. NESSEN: The President said he would monitor the situation and other Administration officials would monitor it, but the President made no promise and no commitment.

Q The point Steve is making is that somewhere down the line Carey held out hope that perhaps the President might change his mind. In the briefing today, you said there are no plans for a new Federal initiative now. You did use that adverb "now."

MR. NESSEN: I think you are making a distinction where there is none. There were no promises and no commitments. In fact, I think if you know the President's own feelings in this area, and the President spelled them out again today, that he believes Federal assistance is not the solution to New York City's problem.

He said that he feels that under the system of Government we have that it is not and should not be the job of the Federal Government to manage the finances of a State or local Government.

I think you know the President's views, which are -- among the reasons he holds that view is that if funds were provided to New York, equity would require that the Federal Government provide assistance to other cities and this could lead to federalization of city affairs.

There is also another reason, which is that the Executive Branch has no authority to provide additional direct Federal assistance.

Q I think the question we are asking, Ron, is this: Has the situation changed because the State has gotten involved and you continue to speak about the city there, so to go back to your other comments, I take it it doesn't make any difference if the State gets involved?

MR. NESSEN: I think you are really strange to find something that was not really there.

Q Ron, let me take it from a different tack. This is a vital point to us.

MR. NESSEN: All I heard was a kind of second- or third-hand report of what he said, and I didn't get the impression from what I heard he said that he was holding out, or he did not feel that he got any commitment in here today.

Q Ron, let's take this from another tack.

Q He said he was encouraged.

MR. NESSEN: Did he say he was encouraged?

Q Yes, very encouraged.

MR. NESSEN: I thought he said he was encouraged at the President getting a better understanding of the problem.

Q Ron, to take another tack, there is a difference in the understanding among us who listened to him. From your point of view and from the President's point of view and the Administration's point of view, notwithstanding what Carey may or may not have said, does it make any difference whether the supplicant is the State of New York or the City of New York?

MR. NESSEN: For one thing, Carey did not come here as a supplicant today, he came here, as I say, to describe and explain.

Q Could you answer that question and take "supplicant" out?

MR. NESSEN: I think we are dealing with something that doesn't exist. There is no plan, and there was no commitment made or no promise made by the President.

Q Carey did explain a plan, though, didn't he?

MR. NESSEN: Yes, that was the bulk of the meeting.

Q He was asked if he was seeking a Federal loan or a Federal guarantee of a loan, and he said not now. The question now as opposed to when is still dangling there. You are not saying "no, never," and Carey said the President flatly told us there is no guarantee now.

MR. NESSEN: All I am saying is I think you are asking me to answer a hypothetical question that simply didn't come up today. There is no plan. There was no commitment. There was no promise, and the President has these strong views on the role of the Federal Government in this area.

Q Did he agree to extend to the State as well as to the city? That is all I am asking.

MR. NESSEN: I think I said that the President just doesn't believe it is the job of the Federal Government to manage the finances of the State and local Government.

Q The President believes Federal assistance is not the solution to New York City's problems. To carry that on, you mean if the State assumes the burden, he could change his views?

MR. NESSEN: There was certainly nothing today that indicated anything like that. I don't think Carey said there would be.

Q We got the impression that if the Legislature acted within this 90-day period, that New York City would not default if the President would consider some sort of action. This was the impression we got.

MR. NESSEN: The President gave no commitment and no promise and said only that they would continue to monitor the situation and keep the door open for discussions.

Q Has the President been given a plan by which he could do it if he changed his mind? Does the White House have a scenario under which it could act for the State if they desired to do so?

MR. NESSEN: Not that I am aware of.

Q Ron, is it still the President's feeling that a default would not be a disaster for the country as a whole? This is Carey's thesis that a default would have national implications.

MR. NESSEN: Dr. Burns, I think, has indicated, I am sure has indicated -- I should say I am sure Dr. Burns has indicated publicly that he sees his role as preventing any upset from occurring in the banking system.

Q Is the President still planning to go meet Henry tomorrow night?

MR. NESSEN: As far as I know he is.

Q Can you give us an approximate arrival time?

MR. NESSEN: I cannot.

THE PRESS: Thank you.

END

(AT 8:32 P.M. EDT)