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NEWS CONFERENCE

#574

AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:09 P.M. EDT

SEPTEMBER 2, 1976

THURSDAY

MR. NESSEN: Let me mention two additions to the President's schedule today.

At 2 o'clock, the President will be visited by Jen0 Paulucci. He is the head of the Italian-American Foundation.

Q What is that? Is that a tax-free charitable organization?

MR. NESSEN: I am not that familiar with the background on that organization.

Q In connection with this meeting, is the President going to a dinner that this organization is going to have?

Q Question?

MR. NESSEN: The question was, is the President going to a dinner that this organization is planning in Washington in September? My understanding is that is one of the matters that Mr. Paulucci intends to talk to the President about.

Q We understand he has already accepted.

MR. NESSEN: That the President has already accepted? I don't think so, Helen.

The other addition to the schedule is at 5 o'clock, Dr. Kissinger and Brent Scowcroft will meet with the President. As you know, Henry is off shortly for his trip to Europe to meet with Prime Minister Vorster and the President will give him his final instructions for that meeting. At the same time, the other matter on the agenda is for Henry to report to the President on the Law of the Sea Conference that he has just returned from in New York.

If you care to have a picture of that meeting, we can arrange that, if there is any interest in that at all.

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Q Will there be any briefing afterwards?

MR. NESSEN: I don't anticipate one.

The wholesale price index for August -- you probably may have seen the figures -- the wholesale price index went down one-tenth of one percent. Just to recall briefly, there were two months prior to that in which there were modest increases -- in June, four-tenths of one percent, and July, three-tenths of one percent.

The major factor in the decline for August was a 2.9 percent decline in food prices. Obviously, the President is pleased because the wholesale price index continues at a moderate pace and he is particularly pleased that over a really measurable period of time, a full year, from August to August, the wholesale price increase was only four percent; that is, a four percent annual increase from August to August in the wholesale price index.

Q That works out to eight or nine percent retail. How does the President feel about that?

MR. NESSEN: I don't know why you say that, Jim.

Q The figures are roughly double.

MR. NESSEN: I don't know about roughly double. I know we are dealing with actual consumer price index figures rather than roughly double figures.

Q Even the fact that it goes up? How does the President feel about that?

MR. NESSEN: The President is pleased that it is a moderate rate compared to some of the figures we saw a few years ago.

Q But no possibility of leveling off and going back?

MR. NESSEN: Well, you have had a one-tenth of one percent drop in August.

Q What did the industrial component do in August?

MR. NESSEN: Funny you should mention that.

There was an increase in the industrial price component of this as there was last month, and this does cause some concern.

I think, though, rather than looking at it in a short time span, if you look at it in a slightly larger time span, say over the past six months, the seasonally adjusted rate increase even on the industrial component was 5.3 percent, and that is an annual rate of 5.3 percent.

Q What was the August figure for the industrial component?

MR. NESSEN: I don't have the industrial component for August here.

I am told it was a seven-tenths of one percent increase. So, that does remain within the bounds of the forecast that had been made previously.

Q This was within the last six months it averaged 5.3?

MR. NESSEN: The annual rate over the past six months was 5.3 on the industrial component, and the President's advisers do not see that the industrial component increases signal any acceleration of inflationary forces.

At the same time, the President and his advisers do not feel there can be any complacency about inflation.

Q Could you repeat that?

MR. NESSEN: We don't see any indication of an acceleration of inflationary forces. Nevertheless, the President and his advisers still feel there must not be any complacency about inflation.

Q Before you get off of economics -- you may have been asked this in the past couple of days, if so, I will withdraw the question -- but, does the President feel that the automobile companies should now rescind or reduce the price increases they announced because of a rescission of the steel price increases?

MR. NESSEN: I am not a great expert on that particular element, Jim, but I do understand that steel prices are not that great a component of overall automobile prices that it would necessarily automatically bring about or justify a price cut in car prices.

Q The line of steel on which the price increases were rescinded was flatrolled steel which is a sheet component in the manufacture of automobiles. In other words, there was a direct relationship, despite what you say.

So, I am asking whether or not the President feels that the automobile companies should take another look at the price increases?

Q We can't hear you.

MR. NESSEN: All I can do is repeat the understanding I have, which is that steel prices are not that large a component of auto prices that the rollback would necessarily justify a rollback in auto prices. I will ask Margaret to put you in touch with the proper person who is more of an expert.

Q So, the President does not think the prices should be rolled back?

MR. NESSEN: The Council on Wage and Price Stability is looking at the automobile pricing situation.

Q Before you get off that, there have been some consumer groups complaining recently that while wholesale prices of food have declined, particularly meat, there has not been a decline in the retail prices. Does the President and his advisers think there is some justification in this complaint?

MR. NESSEN: Let me look into it. Ted. I had not heard that subject mentioned.

Q Do his advisers note the food price index goes down every August and, therefore, this one-tenth of one percent isn't anything unusual? Maybe it even should have been more than that.

MR. NESSEN: That is a seasonally adjusted figure.

Q The food price index always goes down at the end of the summer with the harvests coming.

MR. NESSEN: As I said, an even more important figure to look at is the year-to-year figure, August to August, which is only an annual four percent increase, which is a moderate rate of increase, especially compared to figures of previous years.

Q You are not contending that is historically a moderate increase in the price index?

MR. NESSEN: Historically?

Q Yes.

MR. NESSEN: I don't know what the history of the wholesale index has been.

Q Historically, it has been one or two percent a year.

Q Why is Ambassador Stoessel being taken out of Moscow?

MR. NESSEN: Because it is about the normal rotation period. Ambassadors normally stay in the Soviet Union, Moscow, which, after all, is a difficult post, about two to three years. That is how long he has been there, about 2-1/2 years. It is his normal rotation time.

Q Are you through with that?

MR. NESSEN: Yes.

Q May I ask a question about Mr. Seidman? What, if any, reaction did the President have yesterday concerning reprimanding Mr. Seidman?

MR. NESSEN: Tom, let's not do that. I am sure you read the SEC consent order and you know Bill Seidman is not mentioned in it at all. I think you know that.

Q His firm was involved in it. What do you mean?

MR. NESSEN: What do you mean by what do you mean?

Q Isn't the President concerned?

MR. NESSEN: About what?

Q Seidman was running it when they took over the firm that had equity funding.

MR. NESSEN: He was one of the 150 partners, that is correct.

Q Isn't the President upset that all the newspapers put his picture beside that story that he had nothing to do with? (Laughter)

Q No, really, what is the President's reaction?

MR. NESSEN: To what, Helen?

Q To the charges against Seidman's firm?

MR. NESSEN: What are the charges?

Q That there were abuses in auditing.

MR. NESSEN: I think if you are going to ask the questions you should go back and find out what the consent order did.

Q I don't think you should say "Why don't you fellows find out what the question is."

MR. NESSEN: Bob, I have something to tell you about this.

Q Why don't you tell us?

MR. NESSEN: Because I would simply like to reiterate my own personal feelings about the not very precise way --

Q I didn't ask your personal feelings.

Q What are the charges against Kelley?

MR. NESSEN: What are they?

Q You are the press spokesman, Ron. This is silly business.

MR. NESSEN: It isn't silly business, it is a man and his reputation which I feel I have an obligation just to make sure that a man who was charged with nothing, who wasn't even mentioned in the consent order is not on the transcript which becomes a permanent record somehow accused of something.

Q Who are you talking about?

MR. NESSEN: I am talking about Bill Seidman.

Q I am talking about Mr. Kelley. He did admit all the charges that you said you didn't want to say he did.

MR. NESSEN: When Bill Seidman was first asked to join the President's Vice Presidential --

Q We have a stipulation here.

Q While his name is not mentioned, it is also a fact he was the managing partner of a public firm during much of the period the charges raised by SEC covered. So, let's go on from there.

MR. NESSEN: As you know from knowing me over a period of time, I have a strong feeling about respect for people's reputations, and that is why I mentioned that. Let me tell you what I do know today.

When Bill Seidman was asked to join Vice President Ford's staff he mentioned to the President that his former accounting company, I guess he was then associated with the accounting company, had this matter pending before the Securities and Exchange Commission. The President, or then Vice President, asked Phil Buchen to look into this and see whether there was anything in that matter that would preclude Bill Seidman from taking this job on the Vice President's staff.

Phil Buchen did look into it and reported back to the President that there was nothing in this matter that would preclude Bill Seidman from joining the Vice President's staff. And the President now feels that no facts have turned up since that time, which I guess is over two years ago, which change the initial judgment.

Q Why didn't you say that in the first place?

MR. NESSEN: Because I wanted to make sure what terms we were using to describe Bill Seidman.

Q No facts have turned up that what? Change the situation?

MR. NESSEN: Yes, that change that judgment.

Q Ron, on this Stoessel thing, it says that Hillenbrand is going to stay in Bonn for at least another month. Will Stoessel be staying in Moscow during that time?

MR. NESSEN: I will have to check that for you. I don't know his exact travel plans.

Q Who is replacing Stoessel?

MR. NESSEN: We don't have a replacement to announce yet.

Q Has the President received a report from the Attorney General about Mr. Kelley?

MR. NESSEN: He has not received it yet.

Q When is it due?

MR. NESSEN: Yesterday he said in a day or so, so within a day or so.

Q Getting back to Stoessel, is it planned for Stoessel to seek any medical treatment prior to going to West Germany, the Federal Republic of West Germany?

MR. NESSEN: What do you mean?

Q Any special medical treatments outside the ordinary physical check-up?

MR. NESSEN: I don't have any knowledge at all of his medical treatment.

Q Will you find out how healthy he is?

MR. NESSEN: What do you mean?

Q Whether health has anything to do with his transfer.

MR. NESSEN: I said earlier it did not; that it was a routine reassignment.

Q The rays the Russians have been beaming at the Embassy is not a factor in this reassignment?

MR. NESSEN: That is my information, yes.

Q Have the rays been diminished?

MR. NESSEN: Marilyn, I don't know anything about the rays. You will have to ask Funseth.

Q Can you tell us anything about the President's plans for the campaign now, for travel, anything of that sort?

MR. NESSEN: Tomorrow I will have an announcement for you of what could probably be officially described as the traditional campaign kick-off appearance.

I would look for the President to simply be here over the weekend, including Monday, probably in the White House but there may be a possibility of Camp David at the most.

Q Was there a political meeting that took place this morning, at the White House, that you attended? And can you tell us something about it?

MR. NESSEN: Do you mean the Members of the Senate and House that came in at 8 o'clock?

Q No, I mean when Spencer and Greener were here.

MR. NESSEN: I did not see Spencer this morning. I did see Bill Greener.

Q Spencer was here also.

MR. NESSEN: I don't know of any meeting with the President. They didn't meet with the President.

Q To go to this announcement or schedule, whatever it is that you are going to give us tomorrow, this is for planning purposes, let us say, and is this the Tuesday trip to Detroit, Grand Rapids and so forth? In other words, is the official or formal opening of his campaign taking place on Tuesday rather than Monday with a trip to Michigan?

MR. NESSEN: I don't know of any trip to Michigan on Tuesday of next week. I don't know of any trip next Tuesday at all.

Q Is the President Ford Committee buying a half-hour of TV time on Tuesday night?

MR. NESSEN: I am told they have bought a half-hour of TV time on CBS Tuesday night. The purpose of that, I understand, is to show an edited version of the acceptance speech of the President.

Q In black and white? (Laughter)

MR. NESSEN: I hate people with memories.

As you may know, in the East the speech came on rather late, past prime time, and there was a feeling of buying this time to show the acceptance speech to those who may have missed it the first time around. That is Tuesday night on CBS.

Q What time?

MR. NESSEN: 8:30 to 9:00.

Q How much is he spending for it?

MR. NESSEN: I don't know. You will have to ask Bill Greener.

Q Will any part of the Reagan speech be broadcast?

MR. NESSEN: During that half-hour?

Q Yes.

MR. NESSEN: I don't know of any plans to --

Q Is it just the speech or is it more than that?

MR. NESSEN: No, it is just an edited version of his speech.

Q Is that his kick-off?

MR. NESSEN: No, I said tomorrow I will announce to you what I think can be called the traditional campaign speech.

Q Does it involve travel?

MR. NESSEN: I said there is no travel next Tuesday. There is no travel over the weekend.

Q Does the kick-off involve travel and when will you announce it?

MR. NESSEN: Why don't you wait until tomorrow and we will announce it.

Q The fact you say you will announce it tomorrow, does that mean you know what it is but you are not announcing it for some reason?

MR. NESSEN: We know what it is and we want to get all the plans finalized so we can make a good, full announcement and be able to answer all your questions.

Q What day will the kick-off be?

MR. NESSEN: I will announce that tomorrow.

Let me just say a thing about the kick-off, if I may. One of the reasons why we have not completely locked into a kick-off date until now has been that, as you know, the President wanted to hold the first debate next week and then he found out that Carter wanted to wait until later in September and that there wouldn't be any debate next week.

So, after that was done, we pushed ahead and began to lock in on the first campaign kick-off speech. That was one of the reasons nothing was arranged before now.

Q That doesn't answer the question whether the kick-off speech, whenever it is, will be a kick-off speech here in Washington or will it involve travel?

MR. NESSEN: No, I think it is fair to say it will involve travel.

Q Why is it such a secret -- I mean, this big build-up?

MR. NESSEN: There is no big build-up. I think when we announce the thing, you will have a lot of questions to ask me and we want to make sure we have all the answers.

Q So we can just figure this kick-off speech is going to take place in San Clemente or something?
(Laughter)

MR. NESSEN: Did that leak out already? (Laughter)

Q Is it an overseas trip? (Laughter)

Q You know it takes a lot of planning on our part.

MR. NESSEN: You will have ample time. I said the President is not going to travel this weekend except possibly to Camp David, and that includes Monday. I said we won't travel on Tuesday so you can sort of stand down a little bit. We did sort of hesitate to see if Carter would accept the suggestion of a debate next week, that was part of it.

Q So the kick-off will have to be after next Tuesday.

Q How much travel do you contemplate this month?

MR. NESSEN: We will announce them as they come up, Helen.

Q Ron, I thought the President and Vice Presidential nominee both announced that the Russell, Kansas speech was their kick-off.

MR. NESSEN: You know, there has been a sort of mythological -- you know this is the campaign kick-off. You know, you could say the acceptance speech was the campaign kick-off, or you could say the Russell, Kansas stop --

Q Or the New Hampshire primary?

MR. NESSEN: Yes, it is a sort of designated kick-off speech.

Q What are the chances of a press conference,
Ron?

MR. NESSEN: I don't have any announcement today,
Howard.

Q Can we rule out today?

MR. NESSEN: You can rule out today.

Q How does the President feel Dole is doing?

MR. NESSEN: Fine, as far as I know. I haven't
heard anything otherwise.

Q Can you rule out tomorrow for a press
conference?

MR. NESSEN: I just don't have anything to announce
today.

Q What did the liberal Senators and Congressmen
see the President about this morning?

MR. NESSEN: Let me make sure I have told you
everything I know about campaign kick-offs.

Q You haven't told us anything yet.

Q You said you know when it is.

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Q Is the President going to make this announcement tomorrow himself in a press conference and announce his travel schedule and so forth? Is that what is going on?

MR. NESSEN: There are no plans for that.

Q We can't hear the questions.

MR. NESSEN: Jim wondered whether the reason I would not announce it today was because the President would announce it in a news conference tomorrow. I said there is no plan for that.

Q Is there a news conference tomorrow?

MR. NESSEN: We don't have anything to announce on that.

Q That means yes, possibly.

Q Would it be fair to assume the President will kick off the campaign in his home State of Michigan?

MR. NESSEN: I am not going to play 20 questions.

Q What was the question?

MR. NESSEN: Walt wants to know whether the President will kick off his campaign in his home State and I just don't want to play that kind of game.

I guess I have probably told you everything on that subject, everything I am going to tell you on that subject.

Q What is the feeling on the new Gallup poll?

MR. NESSEN: Let me answer this question about the meeting this morning. This was a group of Senate and House Members who belong to the so-called Wednesday group. It is really one in a series of meetings. They, as the President's own briefing paper said, they have been anxious to make recommendations to the President concerning the campaign effort.

A lot of people are and there will be a lot of groups and a lot of individuals coming in to do that. This is part of that and it is literally what they did, they gave the President advice on how they think he should run various aspects of his campaign.

Q What advice did they give him, Ron?

MR. NESSEN: I am not going to report their --

Q Were you in the meeting?

MR. NESSEN: I was in part of the meeting and the part I missed, I got a readout from John Carlson, who was in the meeting.

Q This is rather important, Ron, because the Wednesday group represents a wing of the party which felt left out at the Convention.

Q What is the question?

MR. NESSEN: The question was that the Wednesday group is part of the wing of the party that felt it was left out in Kansas City.

Q They were.

Q Schweiker didn't feel left out. (Laughter)

MR. NESSEN: Jim Schweiker was there this morning and spoke this morning.

Q What did they say, Ron, and what did the President assure them, if he assured them of anything.

MR. NESSEN: I don't think I ought to or will report private advice given to the President. The areas covered almost every area, whether he should travel a lot or a little, what themes he should speak on, what approach he should take in the debates, what issues he should emphasize and so forth. It just covered a very wide range.

Q You know, it is kind of remarkable we are 60 days away from a national election and the President's chief spokesman is kind of leaving big question marks on key areas of campaign strategy.

MR. NESSEN: Like what?

Q Everything.

MR. NESSEN: We know what our campaign strategy is and that is all that really counts.

Q You don't want to share it with the public?

MR. NESSEN: It will unfold over the next 60 days.

Q Ron, is there a secret plan to win the election? (Laughter)

MR. NESSEN: Yes.

Q Can you say whether Schweiker made any kind of pledge to campaign on behalf of the President?

MR. NESSEN: Did Schweiker?

Q Yes.

Q Did Schweiker what?

MR. NESSEN: Did Schweiker pledge to campaign on behalf of the president.

I think Schweiker already made a speech on which the President complimented him on this morning.

Q What will Schweiker's role be in the campaign? Was this discussed?

MR. NESSEN: Not in detail, no.

Q Can you give a report on the Schweiker briefing this morning?

MR. CARLSON: As I said in Kansas City, he wanted to reiterate his full support for the President and would do anything he could to help.

MR. NESSEN: The President thanked him and complimented him on his previous speech.

Q What did the President thank him for, for being on the ticket with Reagan? (Laughter)

MR. NESSEN: For the speech he made pledging his full support.

Q Ron, could you give us a rundown on the Steering Committee meeting last night?

MR. NESSEN: The Steering Committee last night gathered initially in the foyer of the White House, and talked in small groups and the President went around and visited with each group and then invited everybody into dinner in the Blue Room at five round tables.

After dinner, the President thanked everybody for coming and joining the Steering Group and turned it over to Rog Morton to run.

Rog gave a very brief report on yesterday's meeting at the Mayflower and then said a number of people had spoken their own views of how the President should conduct his campaign and that Rog wanted some of them to give their advice directly to the President. He called on them, and each rose at their place and spoke five, ten or fifteen minutes each.

Q How many?

MR. NESSEN: I would say about eight to ten people spoke and the President listened, occasionally made comments and at about 10:30 or 10:45, Rog thanked the President for his time and said that there would be a definite channel set up so that throughout the campaign, these people could constantly send their views in to the President, and that there would be another meeting scheduled, but no date had been set.

Q Can you tell us some examples of the pieces of advice offered?

MR. NESSEN: Again, the same general areas as this morning, what issues the President should cover, where he should speak, how he should conduct himself in the debates.

Q Was there any kind of consensus from both meetings?

MR. NESSEN: I would say it was really individual opinions and I didn't detect what I would say would be an overwhelming pattern to the advice.

Q What staff was there?

MR. NESSEN: Cheney -- I will have to look at the list. I was there, Greener was there, Jim Cannon was there, Jim Lynn was there.

Q Baker?

MR. NESSEN: Baker, of course, Morton.

Q When the President campaigned in the primaries he announced he was going into every State. There was no subtlety about his desire for personal contact. Does he have that same desire?

MR. NESSEN: To go into every State?

Q To have a lot of personal contact?

MR. NESSEN: Helen, as I said, the plan to win the election is -- you know -- as I said, out in Vail --

Q I don't see why it has to be a big secret.

MR. NESSEN: It is not, if you will let me finish.

I said, out in Vail, that I don't anticipate I would be standing at a podium any day saying, okay, here is the campaign strategy and read it off to you. You are seeing the campaign strategy.

Q I haven't seen anything yet.

MR. NESSEN: If you let me finish, I will give you a couple of steps.

Step number one was to win the nomination, which we did. Some of you have commented favorably on the organization and method by which the nomination was won and the Republican Party was united, which was step two.

Q That doesn't tell us anything.

MR. NESSEN: You asked me, Helen, and I am trying to answer your question. You asked me why am I keeping it a secret. I am telling you that four or five parts of it have already been disclosed -- winning the nomination, uniting the party, picking Bob Dole as the Vice Presidential running mate, giving him his assignments in Vail, challenging Carter to the debates, arranging the debates, and now tomorrow you will see the place and method of the formal, official campaign kick-off. The strategy is being disclosed as we go along.

As I said in Vail, I don't anticipate standing up here and saying here is our strategy. You are seeing the strategy.

Q We are not asking for that. We are asking what kind of campaign the President will conduct in terms of the people?

MR. NESSEN: Jim Baker and others connected with the campaign, I think, have disclosed about as much as we are going to disclose.

Q Who are the eight or ten people who --

MR. NESSEN: Who spoke last night?

Q Yes.

MR. NESSEN: I guess the first one to speak was Bob Brown. Then Pat Hutar spoke, Mary Louise Smith spoke, Mayor Cianci, Mayor Perk spoke, Jake Javits spoke, John Rhodes -- I am leaving some out but those are the ones I recall.

Q Ron, I am not trying to be funny in this question, but when the President first came into office there was a group of his friends from the Hill that came down once a week, or every two weeks, early in the morning for a prayer and advice session. They say this has gradually sort of petered out. Has it been dropped?

MR. NESSEN: What group are you talking about?

Q The group that came down to pray with the President in the morning.

MR. NESSEN: As you know, we have never announced that or talked about that because it is something very private for the President. Since you have raised it, I will say that that group is still meeting.

Q One of the members of the group told me it has been suspended for some time.

MR. NESSEN: There was a meeting of it yesterday, to be precise.

Q On an average, can you give us a breakdown on how much time the President spends on politics each day?

MR. NESSEN: No, I don't know. It is hard to say.

Q Can we assume that 50 percent of the time is politics?

MR. NESSEN: No, I wouldn't.

Q Is the President staying here this weekend due to the press of business?

MR. NESSEN: He has some business to do, sure.

Q Ron, yesterday in their hammering out of the tax bill, they voted to suspend tax credit abroad for companies taking part in the Arab boycott. I am wondering if the White House has any thoughts on that provision?

MR. NESSEN: It is really hard to state a precision on that because that wasn't a final action, and also, the wording of the amendment keeps changing and hasn't been finally locked up and I would prefer not to -- I mean, there is no way to give a position until we know exactly what they are going to say.

Q Why is it hard for you to give a position? The White House has been making its position clear on that for weeks if not months.

MR. NESSEN: By sending witnesses up there?

Q Yes, because they have been raising heck about it.

MR. NESSEN: There is no question that they have testified this is not the proper way to deal with that question.

Q You are opposed to it then?

MR. NESSEN: It is not the proper way to deal with the question. The President himself dealt with the question in what he believes is an effective way some months ago.

Q Ron, will we get a SALT treaty before October 31?

MR. NESSEN: There is no way of telling.

Q You know the story that was in the Monitor yesterday and it said it may happen in conjunction with the political campaign, and you said you would check as to whether there has been progress in the SALT talks. Has there been progress, and is there a likelihood of a SALT treaty by election day?

MR. NESSEN: There is no way of forecasting that. There is just no change in what the President said publicly before. When and if a SALT agreement can be negotiated which is in the interest of the United States and in the interest of world peace, he will do it, and until then he won't.

Q Is there a possibility of overseas travel by President Ford before November 2?

MR. NESSEN: I don't know of any plans for any.

Q Ron, on SALT, I have lost some track -- is it up to us to go back to the Russians with some response, or is it up to them to come to us?

MR. NESSEN: The last time I checked we were studying their latest previous answer. I will have to check and see where it stands.

Q Have we responded to their answer?

MR. NESSEN: I say I will have to check. I have not checked.

Q Two parts on that: I think you did not answer that part of Walt's question which is asking whether there is progress and, beyond that, if the President is able to successfully negotiate a treaty would he put off signing it until after the election?

MR. NESSEN: Why would he? It is unrelated to the election. He has made clear to both the domestic people and the people who deal in foreign policy that he wants them to go on and do their jobs and do what they have to do and conduct their business and ignore the fact it is a political year and ignore the consequences whether these are favorable or unfavorable of the work they do in their areas. That is the instructions everybody operates under.

Q What about progress? Has there been progress in SALT over the past six months?

MR. NESSEN: Oh, Lord, Walt, I can't answer that question.

Q It is a fair question. Has there been progress? Are we any closer to a treaty with the Russians on strategic arms limitation?

MR. NESSEN: I think what is implied in your question is, as we are getting closer to the election, are we making more progress?

Q There was nothing implied in there at all. I resent that. I just want to know if there is any progress, and really there was no implication.

MR. NESSEN: Let me check and see what we can say about progress or no progress.

Q Can you find out if the SALT talks have reached the point where there can be an agreement within a 60-day period?

MR. NESSEN: Tom, I don't think we will take the pulse of the SALT talks every day with some kind of countdown of 59 days, 58 days, and so forth. They are progressing and they are progressing in a way that is totally unrelated to any domestic event in the United States. If and when it is possible to reach an agreement in the interest of the United States, we will.

Q Ron, while you are getting answers, could you find out if the United States is prepared to not count the Soviet Backfire plane and whether it is prepared to make any changes in its plan for air launch or sea launch cruise missiles?

MR. NESSEN: I will not talk about the subject of the negotiations from here, Marilyn.

Q You have never been unwilling to talk about Backfire and cruise from the standpoint of whether or not they were issues, obstacles and so forth.

MR. NESSEN: The issues, of course.

Q That is the thrust of Marilyn's question. She wants to find out if there are still obstacles and whether there are any revisions on our stand?

MR. NESSEN: We have always said some issues have been resolved, some are still outstanding. The question has been, well, are Backfire and cruise among the issues that are outstanding. Henry and others always indicated those are among the issues that are in the process of being negotiated.

Q One more question on foreign affairs. Has the White House explained why it did not instruct Congress as of the warnings that had been given before that tree was chopped down in Korea?

MR. NESSEN: I haven't had a chance to read all that testimony up there yet.

Q I understand two distinct warnings were given by the North Koreans that they shouldn't mess with that tree. They went ahead and did it anyway and didn't tell Congress of these earlier warnings.

MR. NESSEN: I don't know. I will have to look at that testimony. I haven't had time to read it yet.

Q Also, have you got seismological, or whatever it is, data in on the two Russian underground nuclear explosions?

MR. NESSEN: The ones in July?

Q Yes, in July. Can you tell us what the kilotonnage was on those and whether they violated in spirit the underground test ban?

MR. NESSEN: Let me look it up. I haven't thought about that for a couple of days.

Q Ron, on the question of your reaction to the Gallup Poll, did you answer it?

MR. NESSEN: We don't react to polls basically.

Q While we are on the subject of SALT, and this relates to Marilyn's question --

MR. NESSEN: The only poll that counts is November 2, and we expect to win that one.

Q Dr. Ikle made a speech a day or so ago in which he said that medium range weapons at some point would have to be included in the disarmament negotiations, and he specifically referred to the Russian version of that Backfire as a medium range weapon.

My question is -- Marilyn asked you whether or not we are on the verge or have agreed to class Backfire as a medium range weapon. Ikle seemed to be implying that that is exactly what we are planning to do in order to get an agreement. He said, in effect, if you are going to call this a medium range weapon just to get a SALT agreement, you better watch out -- you will have to include these medium range weapons sooner or later in a disarmament agreement.

I do want to repeat Marilyn's question. Are we at a point where we are about to accept Backfire as a medium range weapon and leave it outside the pale of the SALT II agreement in order to get a SALT II agreement?

MR. NESSEN: Jim, I am not going to say anything about the substance of the SALT agreement today.

Q Have you checked to find out whether this is the case?

MR. NESSEN: No, I don't think we are going to talk about the substance of the SALT talks here.

Q Maybe you will talk about this. Is the President going to sign that so-called Government Sunshine Bill?

MR. NESSEN: I think the Republicans were among the main advocates and sponsors of that, so he has every intention to.

Q Did Rhodes last night tell the President it was Udall's amendment to knock out the cost of living allowance to Government high officials and Senators.

MR. NESSEN: Did he what?

Q Did he tell them it was Udall's amendment that knocked out this cost of living allowance?

MR. NESSEN: I don't think it was last night. I think the President was brought up-to-date on that legislation this morning.

Q Did Javits promise to put it back in?

MR. NESSEN: Last night or today?

Q The action took place yesterday in the House.

MR. NESSEN: I know, but it is only House action. It has not gone through the Senate yet. There are quite a few steps to go yet.

Q Ron, I want to renew my request for information, at the risk of sounding curmudgeonist. The Wednesday Club represents, or has Senators and Congressmen from popular States in the Northeast. They are not in what is commonly regarded as the mainstream of the Republican Party, but they are very important because they come from big States with large electoral votes and they work very hard.

I think the question was treated rather cavalierly earlier, but I think we have a right to know in essence what these men and women advised the President on how to conduct the election aside from the generalities -- they discussed travel, they discussed schedules, they discussed issues.

MR. NESSEN: In response to Helen, she said was there any consensus or pattern, there was not. They all had different ideas and the same thing last night.

Q What was discussed, campaigning in the black neighborhoods more, going among labor unions and factories? What were some of the ideas put forth -- depend upon alliances with elements of the party that have traditionally not been regarded as friendly?

What were some of the substantive things?

MR. NESSEN: It seems to me you suggest that somehow this group or some of the people in this group are standing aside from the President's campaign. It is obvious they are not. Dick Schweiker did make a speech and pledged support for the President, which the President thanked him for.

Jake Javits is a member of the Steering Committee and was there last night and was there again today.

Q What did Javits tell the President?

MR. NESSEN: I just won't break my rule, which is, I don't speak for Members of Congress and I am not going to report publicly what people tell the President in the privacy of a private meeting. It is wrong.

Q Ron, can I ask about a story that broke on one of the wires? You may not be aware of it.

MR. NESSEN: Maybe I will wing an answer and make some news. Fire, shoot from the hip.

Q Congressman Wilson, a Democrat, charges that the members of the President's committee, Mr. Baker and Mr. Mosbacher, Mr. Moot and others, have been involved in a buddy deal with the Pentagon in which they and the Pentagon are advising certain defense contractors on how they can make higher profits and Congressman Wilson charges that this is an unseemly political alliance.

Do you have any comment on it, or were you aware of it?

MR. NESSEN: I was not aware of it until you mentioned it to me.

THE PRESS: Thank you, Ron.

END (AT 12:50 P.M. EDT)