

This Copy For _____

NEWS CONFERENCE

#88

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:54 A.M. EST

DECEMBER 5, 1974

THURSDAY

MR. NESSEN: Good morning.

We have a number of German correspondents with us today for the visit of Chancellor Schmidt, so we want to welcome you to the White House and to Washington. I will tell you about the plans for Chancellor Schmidt's coverage when we get to that part.

The President began his schedule today with a one-hour breakfast for Members of Congress who were defeated in the elections last month -- that is, Democrats and Republicans.

You will recall, on October 3, the President had a dinner for other Members who will not be coming back for other reasons, those retiring voluntarily or those who had been defeated in primaries.

The President had a few remarks to say to the Members, some of them in a light vein. For instance, he said, "Normally I would say to an audience how glad I am to see so many of you here today, but on this occasion, I would have much preferred speaking to an empty house." He also said that he wished the occasion could have been more bipartisan. (Laughter.)

He did point out, using Winston Churchill as an example, that people who suffer defeats in public life often come back to public life later. I think he said he hoped that would be the case with many of those there.

Q Did he offer them any jobs?

MR. NESSEN: Not that I know of. I don't think that was the purpose of the occasion, Fran.

Q Ron, was this just Republicans?

MR. NESSEN: I said, "Republicans and Democrats." He quoted Winston Churchill as saying that "Politics are almost as exciting as war and quite as dangerous. In war you can only get killed once, but in politics many times."

MORE

#88

So that was the breakfast this morning, and we have a posted list of who attended.

Q Can you tell us how many were there?

MR. NESSEN: It is posted, Dick.

Q Did that entire list attend, Ron?

MR. NESSEN: So far as I know.

You have seen the arrival of the Chancellor on the South Lawn, and there was a pool to cover the beginning of the meeting between the President and the Chancellor. The meeting is still going on, and the plan would be to give you a brief readout rather than a big formal briefing after this particular session and then to have someone who is an expert in American-German relations to give you a fuller briefing when the meetings are concluded, which would be tomorrow.

Q When will you get the reading on today's activities?

MR. NESSEN: As soon as it is over and there is time to prepare a brief statement on what happened in today's meeting.

At 4:30 p.m. this afternoon, the President will continue his meetings on the fiscal 1976 budget by meeting with Roy Ash and some other members of the OMB staff. As you know, we announced sometime ago that the President would be spending an hour or so daily during this period making his decisions on the 1976 budget, and this is one of those meetings. There will be photos and film allowed at the beginning of the meeting.

Q Does the President have a goal for the 1976 budget, an actual balance?

MR. NESSEN: I think Roy and some others, perhaps even including the President, have said that balancing the 1976 budget depends on a lot of factors, including how revenues might be affected by the recession and, obviously, what Congress does with his proposals to hold down spending.

This evening there will be a State Dinner in honor of Chancellor Schmidt. Sheila Weidenfeld has posted the press coverage arrangements for this evening. You will also get a guest list and something on the entertainment.

Some of you, I know, went over to the State Department yesterday for the memorial service for Darius Jhabvala, but those of you who weren't there probably didn't hear about the plan of the State Department Correspondents Association to establish a Darius Jhabvala Scholarship fund for his children.

I am telling you about it in case you wish to contribute. The contributions are tax deductible. The fund is being started by the State Department Correspondents Association, and the fund is being started with funds that normally would have been spent for their Christmas Party, which has been canceled for this year. If you do wish to contribute, you can make your checks out to the State Department Correspondents Association and send them to the State Department's Press Room. John Barton of the UPI can give you further information on that.

I guess that is all of my announcements today, and I would be happy to take your questions.

Q Ron, there has been reported a considerable outcry from the --

MR. NESSEN: Speaking of considerable outcries, Les, I listened to a recording of Secretary Morton's news conference here yesterday, and based on that, I would like to remind you again of something I said before about the need for civility in the Press Room, and that goes whether I am up here or other people are up here.

Now, go on with your question.

Q I would like to ask, because I have the transcript right here, if you can cite one thing I said that was incivil?

MR. NESSEN: Do you have a question?

Q Yes. I would like to know, can you cite anything? You have accused me of incivility, and I have the transcript here --

MR. NESSEN: I think the tone of your questions and your constant interrupting of the Secretary when he was attempting to answer amounted to incivility, from my point of view.

Q Respectfully, I would like to disagree because I have got the transcript. I think it is unfair of you to level anything like this at me, Ron.

Would you like to answer the question about the Republican Governors' question?

MR. NESSEN: I haven't heard it yet.

Q I was in the process of trying to give it. There has been a considerable amount of outcry from the Republican Governors reported because the President did not attend. What is the President's viewpoint on this?

MR. NESSEN: Several of the President's aides went out to talk to the Republican Governors, and as I understand

it, the Republican Governors were pleased to talk to them and have their views.

As you know, the President is invited to many more events than he can attend, and this is a period of time when he has two foreign visitors in two days and a time when he is working on his budget, the State of the Union speech and keeping a close watch on the economy. It was not possible for him to go, but he did send two of his advisers to the meeting, which I understand pleased the Governors.

Tom?

Q Something else -- Kissinger said yesterday, apparently on the Hill, that it is still a tough matter to be hammered out on the SALT agreement on verification. Yet, the President, in his Congressional briefing, as you related to us, indicated that verification wouldn't be much of a problem at all.

Would you try to resolve those two seemingly different positions?

MR. NESSEN: We talked about this one day here before, Tom. I don't know that there is a seeming difference there. The President said that the methods of verification that we have would be sufficient to verify this agreement.

I think Secretary Kissinger was talking about some technical details that need to be worked out in the Geneva talks. I think the technical talks at Geneva have to do with -- it is very difficult to talk about this area because it does involve some information that can't be made public.

Let me see if I can straighten it out this way. The President was saying that we have methods of verification that are satisfactory and which assure our security and would provide us with what we need to know on whether the other side was living up to the SALT agreements.

The Secretary is talking about some technical details and also some definitions of what you count in the 2,400, some things that need to be discussed at Geneva. But I have talked to the Secretary about this point, and the Secretary feels that the Russians and the United States will be able to agree at Geneva on a verification plan.

MORE

#88

Q Ron, does the President's understanding of this matter, this verification problem, and the assumptions that were said at the State Department the other day, underlie our proposed verification system? Is it the President's understanding of those assumptions the same as the understanding described at the State Department day before yesterday?

MR. NESSEN: How did the State Department describe it, and I can tell you.

Q Basically, that we assume two things -- one, that any silo that is known to have been enlarged will contain a MIRV missile, and two, that any Soviet missile of a type that has been tested with multiple warheads, that all missiles of that type will be assumed to be MIRVs.

That is the guts of the question. Is that what the President is talking about?

MR. NESSEN: I know what you are talking about. Basically that is the foundation of the verification system, that if the Russians have tested a missile that is MIRVed, then we assume that anyplace that missile is installed, it is installed in a MIRV capacity, that any silo which is enlarged in a way that would hold a missile that had been tested as a MIRV, that silo would be considered to have a MIRV missile in it, that any missile which had not been tested with MIRVs--some of the older and earlier missiles--would not be considered to be MIRVed unless it had been tested as MIRVed and the same thing would hold true of submarine missiles.

Q How so, Ron?

MR. NESSEN: I am sorry, I don't know.

Q The same applies to submarines?

MR. NESSEN: I am sorry, to missiles based on submarines. In other words, if a submarine-based missile had been tested as MIRVed, then we assume when it was deployed it would be deployed as MIRVed.

Q Ron, do the Russians have the same understanding or does the agreement say whether the Russians have the same understanding with respect to our MIRVs? I ask that because of our announced plans to MIRV only half of our Minutemen.

MR. NESSEN: Jim, you see you really come directly back to Tom's questions. This is the overall verification system that we are talking about, these assumptions, and the question you raise is the kind of technical detail and definitions that will be done at Geneva. I mean, you have just sort of finished what I started to say, that those are the issues that will be discussed at Geneva.

Q We might as well go ahead and MIRV all the Russian Minutemen, shouldn't we, if the assumption is going to work in reverse?

MR. NESSEN: That is what they are going to talk about in Geneva, that within this verification system of who is going to assume what about the other side, and then you will end up with an agreed verification program.

Q Ron, may I ask how you verify something like these mobile intercontinental ballistic systems which I believe the Soviets have developed?

MR. NESSEN: My understanding is that has not been deployed.

Q If it is mobile, how can you tell?

MR. NESSEN: I really can't get into the details of how we know some of these things, but the accuracy in knowing where those are is just about the same as knowing where fixed missiles are located.

Q Is it your understanding that the United States is able to tell if a missile on a submarine is MIRVed or not, or will be?

MR. NESSEN: The United States is able to know when that missile is test fired whether it is test fired in a MIRVed condition, and if it is, then we assume when it is deployed on a submarine it is MIRVed and that is how we begin to count up the numbers.

Q The problem is finding out how or whether it is deployed because when the submarine leaves, it is all locked up and you can't look inside a submarine.

MR. NESSEN: You can't look inside a silo, either, Bob. You know we assume that the Russians, the same as ourselves, would not deploy a missile they had not tested, and when they test that submarine missile, we know whether it is MIRVed or not, and then when they put it on the submarine, we assume it is MIRVed.

I should make this point: Some people are calling for on-site inspection and, really, if there is what Dr. Kissinger thinks will be the agreement in Geneva on some of the points Jim raises, you really have a much more firm system of verification than you would have with say on-sight inspection because on-site inspection would involve teams.

Let's say the team wanted to go out to a missile site to check, by the time they got there we or the Russians could switch warheads just for the period of the inspection and so forth. So, this system that does not involve on-site inspection is really in many ways more reliable than on-site inspection.

Q What Bob is asking is how do we know when they are deploying a missile on a submarine or how many?

MR. NESSEN: I can't get into that much detail of our intelligence system, Tom.

Q Do we have that capability now?

MR. NESSEN: The President has said that we have a sophisticated verification system, that we have a verification system based on sophisticated intelligence.

Q I wonder if we could ask you this: Could you undertake -- without compromising intelligence procedures -- to go back and get for us an answer to the question when a submarine leaves its port or dock, do our intelligence methods permit us to know whether that submarine is or is not armed with missiles?

In other words, do we have a way of knowing, regardless of what that way is, leaving that out, when the darned thing leaves home and goes to sea, do we know whether it has missiles on it or not?

MR. NESSEN: Is that the question Bob was asking?

Q That is what I am trying to find out.

MR. NESSEN: I may not be able to get that answer because the answer may be over the line of intelligence.

Q The assumption is if it had missiles on it and they were the type that had been MIRVed, then they were MIRVed.

MR. NESSEN: Let me say this, Jim. I will see if that kind of information can be given out. What I am saying is that when a Polaris submarine leaves port -- and the Russians are using the same sort of assumption system that we are -- or if the Poseidon missile had been tested MIRVed, then the Russians would assume -- whatever number of missiles go on a Polaris submarine -- they would assume there were that many there and they were all MIRVed under this system of verification.

Q I guess I should have put the question a little bit differently. Do we have an intelligence system that is going to let us know what kind of missiles are in a Soviet submarine when it leaves? In other words, they test missile A but, up until now, the sub has been armed with missile B. Is there something that will let us know that they have switched to missile A?

MR. NESSEN: Let me see if that is the kind of thing we can put out. You know, on the land-based missiles, each missile takes a different type of silo and that helps us to keep track of what is deployed where on land-based missiles.

Also, I don't know if this has ever come out very clearly in the discussion of the SALT agreement, but I think I made the point only in passing last week that this agreement does set a limit on how much you can expand silos, that old silos or existing silos, I should say, can only be expanded 15 percent in size.

This, I think, in a way answers some of the questions about the unlimited development of bigger and bigger weapons.

There is also as part of the agreement -- and this, I think, has been touched on in passing before, and it answers somewhat the questions that have been raised -- there is a prohibition on new silos so there you get something of a build-in limit on a constant increase in the size of missiles which people are asking about.

Q May I ask whether that 15 percent would be enough to permit or not to permit the use of a silo that was formerly for an SS-11? Would it be enough or not enough to permit that silo to be used for an SS-17 or -19? That was the issue.

MR. NESSEN: I know that. I don't have that much information in depth to be able to tell you the answer to that, Jim, whether it is the SS-7 silos that are too small or 11s or whatever other sizes we are getting into, but it is a limitation.

Q Could you undertake to find out whether this agreement is going to permit them to deploy the 17 or 19, can you find out that much?

MR. NESSEN: My understanding is that there is nothing in here that prohibits them from doing it.

Q May I ask, please, has the President received any recommendation from the Pentagon suggesting that we increase our megatonnage or what the President referred to as throw weight as a result of this agreement?

MR. NESSEN: I will find out and see if I can give that information, but let me say a word about throw weight. I think there has been a certain amount of confusion about throw weight.

Throw weight per se has virtually no meaning at all. Throw weight simply means how much weight a missile can lift. The only way throw weight means anything is in terms of increased destructiveness and accuracy, which is a matter that has been left out somewhat in the discussion of this.

But, the tests of the Russian weapons that we are aware of doesn't indicate any of the kinds of things that have been talked about, which is missiles with 25 warheads, 50 warheads, 100 warheads, this kind of unlimited piling on that I think Jim raised the other night at the news conference.

Q You are already up to 14. Twenty is a short jump.

MR. NESSEN: The point is that a constant increase in the number of warheads is in several ways irrelevant to this. You need targets for your warheads or the warheads don't mean anything. Secondly, you need accuracy.

The United States for the term of this agreement, which is running until 1985, believes that it will still maintain a lead in warheads. The number of missiles and the number of MIRVs is equal, but we believe that up through 1985 we will still maintain the lead in warheads.

Q You mean the number of MIRVed missiles, don't you?

MR. NESSEN: No, I mean the number of warheads. Each side will have 1320 MIRVed missiles, but we will have more warheads in our MIRVs than they will.

The other factor to remember here -- this is what I started to say I heard Dr. Kissinger talk about -- we are getting into some irrelevant questions when you talk about numbers of this magnitude, that it frankly doesn't make any difference in terms of sheer destruction whether you have 2400 delivery systems, 2300, 2200, 1700, which some people on the Hill have suggested.

At those levels, both sides can wipe out the other and they can do it at 1700, they can do it at 2300. So, in many ways the argument about multiple warheads, multiplying throw weight, is truly irrelevant.

Q It has some relevancy in cost, doesn't it?

MR. NESSEN: Yes, certainly it does.

Q If you don't think MIRVs are relevant to destructiveness, would you address yourself to the relationship between MIRVs and first strike capability? The argument has never been overdestructiveness, Ron. The argument is over whether or not further MIRVing gives one side or the other first strike capability against the silos of the other side. Can you address that subject?

MR. NESSEN: Not in a great deal of depth, but only to say that these numbers, that is not the problem.

Q Destructiveness isn't the problem, but will you address yourself to first strike capabilities?

MR. NESSEN: As I said, Jim, we are talking about up through 1985 the United States will still have advantage in warheads.

Q On the assumption that you are getting this statement that you have made from Kissinger, can you explain what you mean when you say that targets are not in issue?

MR. NESSEN: What do you mean by that?

Q Since the assumption has always been that the MIRVs would be targeted essentially against our silos and give them a first strike capability or use a first strike capability, what do you mean when you say targets are not an issue?

MR. NESSEN: I didn't say targets are not an issue. I said if you are going to build up an infinite number of warheads, which has been suggested as being allowed under this agreement, and which in fact is practically impossible, I mean as a practical matter, there is also the fact of why would you build up warheads infinitely if there is not an infinite number of targets. You would hit each one with five instead of four.

Q The argument is that you would use them against silos. You would have so many warheads that you would saturate silos and have the very strong chance of wiping them all out.

MR. NESSEN: This is another factor, this throw weight, and I am glad you mentioned it. You know, this is truly a complicated subject, as you are all aware.

I am glad we have had a chance to explore some of the complications of it because, you know, some of the discussion has been somewhat simplified, but it is a very good point that Jim makes. In addition to the other factors in throw weight, which I mentioned, of accuracy and the practicality of building warheads, there is a factor of vulnerability.

Q That is what I am talking about.

MR. NESSEN: The way the Russians have deployed their nuclear force, they have relied a lot more than we have on land-based missiles, which are the more vulnerable missiles, and we have relied more on airborne and seaborne missiles, which are the less vulnerable and the disparity is quite striking between the degree of the vulnerability of their force and ours.

This is another factor that mitigates against an infinite build-up of MIRVs because the more MIRVs you put on land-based missiles, the greater part of your force you make vulnerable to the other side.

I do think, too, you might be interested in a quotation from Dr. Kissinger, who in talking about this at one point said, "To say that you haven't got anything because you haven't got everything is a very dangerous course," and I really do think that that is somewhere near the heart of this debate about SALT. Obviously, there were other ways to do the SALT agreement.

Let's look at the alternatives, if there had not been the SALT agreement. Where did we stand after SALT-I? Well, the Russians had an advantage in total missiles, the United States had an advantage in total warheads.

Had this been reconfirmed by SALT-II, we would have ended up with a period roughly from 1972 to 1985 in which the Russians would have had a confirmed, agreed upon advantage in delivery systems, and that would have been, I think, the subject of some criticism in the United States.

Suppose, on the other hand, that there had been no SALT-II agreement or there is no SALT-II agreement. What would have prevented the Russians from continuing to build up at a rapid rate their nuclear strike force, and if they did that, what would have been our two alternatives for action, one to do nothing, allowing the Russians to gain an ever larger advantage in missiles and that would have always had some political difficulties in this country as well as strategic problems.

And our other alternative would have been to chase them and you would have been into a new arms race. Now, we have talked -- and it is no secret that this is going to cost some money -- but think of the difference in the cost of money between building a force of 2400 and building an unlimited force governed only by the decisions of the other side.

Suppose there had been a third alternative which is that there would have been no SALT-II agreement, the Russians would have maintained their lead in total number of delivery systems, and at some point down the road there was a decision made to try to reach a SALT-II agreement.

What incentive would there have been for the Russians at that point to agree to a limitation when they were so far ahead? This seemed to be a moment, and the moment was taken, and the agreement was reached where both sides agreed that the time had come for equal numbers.

If you had let the thing go on the way it was, not only would it have cost more money to keep up with the Russians, but it would have greatly diminished the chances of reaching such an agreement further down the road.

Q Ron, have you ever heard Secretary Kissinger's explanation as to why he thinks Secretary Brezhnev agreed that the moment that you referred to was right? Have you ever heard the Secretary express any views as to why Mr. Ford thinks that Secretary Brezhnev thought the moment was right?

MR. NESSEN: I think I referred to you the other day the President's comments to the Congressional leaders that he felt that Brezhnev and the Russians also saw that if this chance slipped by that an arms race would have been on again, and that they would have had to spend the money, too.

I think there are several other reasons that have been more or less talked about here. It seemed to me that this was -- well, one of the reasons is in the context of detente that in one sense this was both a result of detente and as a kind of a confirmation by the Russians that they wanted to continue detente with the new President.

And I suppose, since this was the first meeting between the new President and the General Secretary, that there needed to be something there to confirm or reconfirm the detente between these two countries. At the same time, the mood of detente that had been built up before contributed to the ability to reach this agreement.

I think some of you have raised the question yourselves, and I don't think there would be any great argument about your own conclusions that there is now a certain stability in American politics that was lacking in the past couple of years and that -- as Secretary Kissinger phrases it -- the Russians now see a President in office who has at least the possibility of being there for six years.

Somewhat related to that is that no doubt they made some study of President Ford's past record and know that he has always been known and has been on the record as a strong advocate of a strong defense force.

I suppose in their calculations in dealing with him they may have concluded that a failure to reach an arms control agreement might see the President taking that particular view and now, with the Executive power, following up on it.

Q In connection with that, didn't the President and Kissinger also warn Mr. Brezhnev and the others that the various missile, the new weapons systems that we had in mind, Kissinger himself has spoken of the cyclical thing. Didn't they connect that five-year cyclical thing with the likelihood at the end of those five years would be coming or like? We have been talking about Brezhnev's motives.

MR. NESSEN: I know what you mean. I have not heard Secretary Kissinger talk about that, and I don't have any sense that that was openly discussed at the table in Vladivostok. I think it falls within one of the reasons I suggested, which was that the Russians, too, have an interest, financial and strategic, in avoiding a new round of the arms race.

Q Ron, I know people want to get on to other things, and I do, too, but there is one thing you said I would like clarified. Why, what gives the United States the assurance that we will have a lead in warheads by 1985? I mean, the way the force is configured now they have larger missiles or capability to --

MR. NESSEN: You know that is no secret in any way, and I think some of your colleagues at the State Department who I have heard discuss this matter agree and do the arithmetic themselves. In fact, I have never seen a government official do the arithmetic.

You know, basically the plans for the nuclear forces of the two countries are pretty much on the record; maybe not on the record, but common knowledge. The composition of those forces are common knowledge. The capacity of each of the components to carry multiple warheads is known. You sit down with a sheet of paper and you do the arithmetic, and I think you will come up with the same answers your colleagues at the State Department have.

Q I am not so sure of that because the argument has always been, that the Pentagon has always made, that when the Russians developed the capacity to MIRV, the big missiles that they had, they would then have an opportunity to far outdistance us in warheads.

Of course, we hold a big lead on that.

MR. NESSEN: Bob, I can only say this -- because it is getting uncomfortably close to intelligence information that I can't talk about -- but there is a limitation on how quickly both sides can MIRV their missiles. Let me leave it at that.

Let me make one other point before we leave this subject, and that is the answer to your question, though, that there is a certain physical or technical limitation on how fast you can do this. You can't pick up the phone and say let's MIRV all of our missiles tomorrow. It takes time.

Let me say one other thing about 1985, and also a part of the agreement that was perhaps overlooked. Point 4 of the Vladivostok joint statement was that the new agreement will include a provision for further negotiations, beginning no later than 1980 to 1981, on the question of further limitations and possible reductions of strategic arms in the period after 1985.

That is the agreement. The fact of the matter is that the United States is quite hopeful that that will take place and is hopeful that it would take place earlier than the 1980 to 1981 period, that if and when SALT-II is confirmed and the size of the two countries' nuclear forces are stabilized, that the United States would then at that point actively pursue the reduction of nuclear arms.

I am sure you can figure it out for yourselves, but I want to call to your attention the fact that, if indeed the talks on reduction of nuclear weapons get underway in 1980 or 1981, it is possible that an agreement on reduction could be reached even before the two sides reach this MIRV level.

Q Ron, could I get in a final question on this? Are we equally certain that we will be ahead in accuracy as well as the number of warheads by 1985?

MR. NESSEN: I can't give you that assurance except to say that one of the reasons the United States did not -- you know the President talked the other night about a basic decision that was made in the sixties to go for smaller, more accurate missiles and, you know, I would not like to go into too much detail but the United States believes that its missiles are smaller but more accurate.

Q Ron, as I understand it, you did want to discuss other subjects.

MR. NESSEN: It is up to you.

Q I am wondering if the President has any reaction to what Congressman Rhodes said about criticizing him for vetoing too many bills. There is a wire story saying the President is upset about this criticism.

MR. NESSEN: There is a story saying that he is upset? I certainly don't know of any upset on the President's part about this story.

Q Could I ask a related question?

MR. NESSEN: Let me just finish Phil's question.

You know the President saw Congressman Rhodes last night and saw him again today, I guess. He was at the breakfast. Congressman Rhodes and the President have always worked together in the past and they expect to work together in the future, and they expect to have an opportunity to get together and develop a legislative strategy for the coming session of Congress.

As we have said before -- but in connection with the Rhodes story the President wants to emphasize again -- he does intend to cooperate with the Democratic Congress. He has in the past and he wants to with the new Congress, and he believes that his record indicates that he gets along well with Democratic leaders of Congress.

I am totally unaware and have talked specifically about this story with him today and detected no irritation whatever.

Q Ron, does the President think perhaps he has made too frivolous a use of his veto power?

MR. NESSEN: Quite the opposite, Norm. Every one of these vetos has been done -- and I think in every case we have explained the reason for it. He feels very strongly about the matters on which he has exercised his veto and does not consider any of them to be frivolous.

Q Ron, part of the Rhodes criticism was that once he made the veto, then he wasn't really fighting on the Hill to prevent the override, and that there should be more selective vetoing and then a fight to prevent overriding.

MR. NESSEN: There is a Congressional liaison office here at the White House, and they are working on the Hill on the President's programs and decisions, and I just don't think that is justified.

Q Is it fair to say then that the President did try to use all the powers available to him and put up a maximum stand on each of these overrides?

MR. NESSEN: So far as I know, Steve.

Q Ron, does the White House feel the Senate amendment to the foreign aid bill cutting off aid to Turkey in mid-February is a victory or defeat.

MR. NESSEN: Wait a minute, I think you have stated what action was taken incorrectly. The foreign aid bill contains an extension until February 13, I guess it is, of cut-off of aid to Turkey.

Q That is what I am saying, instead of cutting off immediately, not cut off until then.

MR. NESSEN: The President does feel that is a statesmanlike action in extending the deadline, and I think you know -- and I am sure you have heard it many times over -- the President's view on cutting off aid to Turkey and its effect on the Cyprus negotiations.

Secretary Kissinger will be exerting efforts in that direction when he goes to Brussels next week to meet with NATO leaders.

MORE

Q Ron, I seem to recall, at the time General Brown's statement appeared in the Post, you said that it was known in the White House by someone before it appeared in the Post. And the same thing -- unless I am mistaken -- you said before the Times broke the story about Gibson's \$88,000 a year -- that also was known, but somehow it didn't get to the President. Who were these people that knew it, and what steps have been done to change it so the President will get this information?

MR. NESSEN: Les, I truly think that is a pretty dead horse to be beating right now. I did give an explanation, an elaboration, to the pool one day, and I am sure you read all the pool reports from the trips.

Concerning who knew-what-men on the General Brown statement -- if you don't have that pool report, we can supply it for you in here, which will give you the explanation on that.

On the Andy Gibson matter, I think we have also explained that and elaborated on that, as a matter of fact, that a relatively low-level member of the Personnel Office was told verbally in general terms that Mr. Gibson had a severance agreement from his former employer without details or dollar amounts or anything else.

Dick?

Q Have you got anything further to say on a tax cut in view of what Treasury Secretary Simon said yesterday?

MR. NESSEN: I think Secretary Simon put it pretty well; that it is something that economists are thinking about, but it has never even reached the Economic Policy Board, much less gotten anywhere near the President.

Did all of you read Al Greenspan's speech the other night? (Laughter.)

I will read it for you, then. There is no use doing this; I just wanted to assure you when I said, "Yes, it was a very theoretical mention of this," that it indeed was. I don't think I will read it to you, but Secretary Simon stated precisely what the case is; that the President's economists are thinking about a whole range of ideas.

Q Has he started thinking about it?

MR. NESSEN: The President?

Q Yes.

MR. NESSEN: It hasn't even reached the Economic Policy Board, Dick, which is several steps before it would get to the President in any form.

MORE

Q So, at this point, the President has not personally given any thought to a tax cut?

MR. NESSEN: He has not had any recommendation, option, thinking paper, or anything else presented to him on a tax cut.

Q Ron, you seem to be avoiding the question a little bit; has he thought about it? Do you know for a fact if he has given it any consideration?

MR. NESSEN: He certainly has not given it any consideration in terms of an option, recommendation or anything else. Obviously, he reads the newspapers like the rest of us, and he saw the story on what Greenspan said and he saw the story on what Simon said, so he is aware that floating around out there is the idea of a tax cut. So that in a sense, I am sure he has thoughts about it.

Q Did he have any direct reaction to those stories; did he say Jesus Christ -- (Laughter.)

MR. NESSEN: Yes, he did say it, but it was deleted.

Q What you are saying is, he doesn't think about these things until they come to him; is that true?

MR. NESSEN: Bob, let's be serious about this; I said to Aldo that the man has a great number of ideas that he is aware of and he reads the newspapers and he reads a lot of other things and he is aware of the idea, or the concept of a tax cut.

What I am saying is that in the business of making decisions for the government and in terms of coming to him in any form where he has to think about making a decision, it is nowhere near his desk. But, let's be serious about what does the President think about and not think about.

Q Did he have a direct reaction to those stories today?

MR. NESSEN: I didn't hear any.

Q Does the White House have any position on the Marjory Holt amendment to the HEW appropriation bill on the collecting of race and sex statistics?

MR. NESSEN: Have any of you seen Casper Weinberger's letter that he sent to the Hill, in which he gives some views on the Marjory Holt amendment? I suggest you see that. It raises some questions that are in Cap's mind.

As far as the White House position goes, the amendment has a long way to go, and at this point there is no White House reaction to it.

Q There is only one place left for it to go if the Senate approves it.

MR. NESSEN: I don't have a White House reaction to give you, but I suggest you read Cap's letter, which raises some objections.

Q I am generally familiar with the Weinberger letter, even though I haven't seen it. Does it reflect the White House's stand? Can we take that as the Administration's policy?

MR. NESSEN: I wouldn't assume that.

Q How did the President characterize his visit with Prime Minister Trudeau yesterday? Did you discuss it this morning?

MR. NESSEN: I frankly did not, I am sorry.

Q Ron, is the President changing his position on criminal penalties for the possession of marijuana; has he been in discussion with the Justice Department on that?

MR. NESSEN: I am not aware that he has been in discussion with the Justice Department about that, and I think I told you awhile back -- I guess it was Dr. Dupont that was talking about changing this, and I did talk to the President about it then, and he said then, and feels the same today, that he is not prepared to make any change in the Federal laws concerning marijuana.

Now, the specific details of prosecution and penalties are something that are a Justice Department matter.

Q He has not made any recommendations to them?

MR. NESSEN: The President or them to him?

Q The President to them?

MR. NESSEN: Not that I am aware of.

THE PRESS: Thank you, Ron.

END

(AT 12:45 P.M. EST) #88

AT THE WHITE HOUSE

WITH JACK HUSHEN

AT 1:54 P.M. EST

DECEMBER 5, 1974

THURSDAY

MR. HUSHEN: President Ford and Chancellor Schmidt of the Federal Republic of Germany began their meetings this morning after the arrival on the South Lawn.

The session lasted approximately two hours and provided the President and Chancellor Schmidt with an opportunity to become acquainted and to begin in depth discussions on a number of international issues of mutual interest.

The President and the Chancellor devoted special attention this morning to international financial and energy issues and to related economic subjects.

The two leaders agreed that close and continuing consultations are essential in meeting the economic and energy challenges confronting the West and the world community in general.

This morning's meeting also included a review of the Middle East situation and both leaders expressed their desire for a peaceful solution to the problems in the area.

The President also discussed with the Chancellor his recent trip to the Far East and, as you know, the President will host a dinner in honor of the Chancellor tonight.

The two leaders will meet again tomorrow at eleven A.M. to conclude their talks and there will be an extensive read-out of the meetings some time late tomorrow afternoon after Secretary Kissinger has met with Chancellor Schmidt at the Blair House and that is scheduled for 2:30. So, I would look for the read-out some time around 3:30 or 4:00, approximately.

Q Who will give the read-out?

MR. HUSHEN: I would expect a spokesman on the level that you had yesterday.

Q Is there anything about a communique in there?

MR. HUSHEN: I don't have anything on a communique.

Q Will the read-out be here tomorrow?

MR. HUSHEN: Yes, that is correct.

Q Who sat in on the meetings?

MR. HUSHEN: I am just about to get to that.

Attending the meeting, in addition to the President and the Chancellor, were Secretary of State Kissinger and the Foreign Minister of the Federal Republic of Germany Genscher, also the German Ambassador --

Q What is his first name?

Q Hans.

MR. HUSHEN: -- also the German Ambassador to the United States, Berndt Von Staden.

Attending from our side were Lt. General Brent Scowcroft and American Ambassador to Germany, Martin Hillenbrand.

Q Have the two leaders met alone at all during these two hours?

MR. HUSHEN: No.

Q Was this all in English?

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

Q Genscher doesn't speak English, does he?

MR. HUSHEN: No, but whatever interpretation was necessary was done by Von Staden.

We know this is the first official meeting between the Chancellor and the President and we have not been able to ascertain whether they have ever met socially prior to this. As you know, the President has travelled throughout Europe when he was a member of Congress but, so far as we know, this is the first official meeting.

Q Did they discuss any ideas on oil, the differing views among the different countries?

MR. HUSHEN: Not in any detail that I can give you.

Q Is there going to be a communique when the meetings are over?

MR. HUSHEN: I can't answer that. We will know that tomorrow.

MORE

#89

Q Will Secretary Kissinger brief us at all on this, on these meetings?

I'm sorry, you said it would be somebody below Kissinger, didn't you?

MR. HUSHEN: I did. I said it would be somebody on the level you had yesterday.

THE PRESS: Thank you.

END (AT 2:00 P.M. EST) #89