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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:50 A.M. EDT

MARCH 6, 1975

THURSDAY

MR. NESSEN: Good morning.

Gaylord Shaw is going to go to the L.A. Times. The L.A. Time's gain is really AP's loss. (Laughter)

Let me read a statement by the President. I think that we have copies of it. While it is being passed out, I will read it. It is a statement by the President.

"The act of terrorism which occurred last night at Tel Aviv resulting in the tragic loss of innocent lives should be strongly deplored by everyone. Outrages of this nature can only damage the cause in whose name they are perpetrated.

"I extend my deepest sympathy, and that of the American people, to the families of those persons who have been killed as a result of this senseless act."

Moving on to the day now, we have a fair amount of stuff.

The President held a meeting this morning with Senators Humphrey, Sparkman and Case to discuss aid to Cambodia. Senator Case, as you may know, is the ranking Republican Member of the Subcommittee of the Senate Foreign Relations Committee which will be considering the President's request for \$222 million for Cambodia and \$300 million for Vietnam.

The meeting was requested by Senator Case to discuss the President's requests. That subcommittee, of which Senator Case is the ranking Republican, will begin hearings this afternoon.

After that, the President met for half an hour with the leaders of the American Petroleum Institute. The purpose was to discuss the petroleum industry's concerns with the President's energy program.

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Frank Ikard, who is the President of the American Petroleum Institute, requested the meeting. Those who attended included Mr. Ikard; Charles Spahr, who is the Chairman of the Board of the Petroleum Institute, and Frank Zarb.

The principal matter that Mr. Ikard wanted to discuss was the ability of the petroleum industry to raise capital for its needs in the way of energy exploration and production.

At 12:15 the President will be meeting with Admiral John S. McCain. Admiral McCain, as you may recall, was the Commander of American forces in the Pacific from 1968 until he retired in 1972. He is presently the Director of the Institute of Strategic Studies at Georgetown University.

There will be a chance to take pictures of that meeting, if you would like. The purpose of the meeting is for Admiral McCain to give the President his thoughts about the current situation in Asia.

At 2 o'clock this afternoon the President is meeting with Vice President Rockefeller and Jim Cannon, the Executive Director of the Domestic Council. This is a regular meeting, and there are a number of subjects dealing with domestic matters that will be discussed.

At 5 o'clock this evening the President is holding a reception. He will be the host over in the Residence for members of the American Society of Association Executives and also for the Association Department of the U.S. Chamber of Commerce.

The American Society of Association Executives has about 5000 members -- slightly more than that -- and the Association Department of the Chamber of Commerce represents about 1200 trade and professional associations. These organizations are here today to receive briefings on the Administration programs. Those attending the reception and the briefings number about 275 executives.

As we announced yesterday, at 7:30 the President will hold a news conference in Room 450 of the Old Executive Office Building. People from the Press Office will be at the Seventeenth Street entrance beginning at 6:15 to help you get cleared through.

You can start setting up the cameras and sound equipment an hour ahead of time, at 6:30, and it would probably be well if most everybody was in place by 7 o'clock.

We will have the usual seating plan. For anyone who doesn't have White House credentials, you can phone the Press Office at 456-2100 and you will be cleared.

There will be no special method of recognition for this news conference. The follow-up questions can be asked. For those of you who prefer to stay here to cover the news conference, you will be able to hear it in the press room, and you will also be able to have a mult here for recording in this room.

We have two swearing-in ceremonies to announce.

William Coleman will be sworn in as Secretary of Transportation tomorrow at noon in the East Room, and Carla Hills will be sworn in as Secretary of Housing and Urban Development at noon on Monday. There will be full press coverage of that.

Since the President is having a news conference tonight and the swearing-in is at noon tomorrow, maybe we can skip the briefing tomorrow. Let us go on the assumption we will not have a briefing tomorrow. We will take a look at it in the morning, and if there seems to be a need for one, we can reassess it then.

Q Sometimes it is necessary to clear up some things from a news conference, and also many things are happening. On behalf of our organization, I would certainly like to request one.

MR. NESSEN: Let us reassess it in the morning.

There are five representatives here this morning from radio organizations in the countries of Bahrain, Sierra Leone, the Sudan, Tunisia and the Bahamas. They are in the United States to participate in the 1975 International Broadcast Seminar.

This is the 15th such project programmed for the Department of State by the Radio and Television Department of the S. I. Newhouse School of Public Communications at Syracuse.

Q Could we have their names, please?

MR. NESSEN: We can get them for you.

There is one personnel announcement today.

The President is accepting with sincere regret the resignation of Arthur I. Mendolia as Assistant Secretary of Defense for Installations and Logistics, effective March 31. He has been the Assistant Secretary since June of 1973, and he is returning to private life.

We are announcing that His Excellency Dzemal Bijedic, the President of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia, whose title is Prime Minister, will visit the United States from March 19 to March 22 at the invitation of the United States government.

President Ford will have a luncheon for the Prime Minister on the 19th, and he also will meet with Secretary Kissinger and other government officials in the course of his visit.

He will be coming here to review bilateral relations between the United States and Yugoslavia, especially in the economic area, and also to discuss international issues in which the two countries are interested.

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Q Ron, do you expect Secretary Kissinger back by then?

MR. NESSEN: That is March 19. I don't think there is any particular time set for the length of his stay in the Middle East.

Q You said this man was going to meet with him.

MR. NESSEN: If he is not back, then he would meet with one of Secretary Kissinger's deputies.

Q Have you set a date yet?

MR. NESSEN: You mean for the President's visit to Yugoslavia?

Q The one you announced without a time.

MR. NESSEN: There has been no date set, actually.

We have another announcement that the Speaker of the House, Carl Albert, and the House Minority Leader, John Rhodes, will visit the People's Republic of China during the Congressional spring recess, from March 26 to April 9, at the invitation of the Chinese People's Institution of Foreign Affairs.

They will be accompanied by their wives and a small support staff. The trip was arranged through discussions initiated by Secretary of State Kissinger. Details are being worked out by officials of the White House and the State Department in consultation with the Liaison Office of the People's Republic of China in Washington.

This will be the seventh visit by Members of Congress to the People's Republic of China.

Q Is this part of the Congressional foot-dragging exercise you have been talking about?

MR. NESSEN: Well, that is all I have today.

Q Who pays the expenses of those Congressional trips?

MR. NESSEN: In this particular case, John, and also the other trips by Congressmen, the Executive Branch will provide the transportation to fly them from here to China, and then while they are in China, they are the guests of the Institute of Foreign Affairs of the People's Republic.

Q Does the President assume that Congress will have completed the work that he has been talking about, the tax cut and the energy program, by the time the two top leaders of the House leave?

MR. NESSEN: Well, what with the deadlines he set the other day, he said he expected to have a tax cut by April 1 and an energy bill by May 1.

Q So, he doesn't see anything deleterious to his program in the departure of the two top leaders of the House before either of those dates?

MR. NESSEN: They are leaving March 26.

Q Before either of those deadlines the leaders will have gone.

MR. NESSEN: This is the Congressional Easter recess anyhow. Whether they stayed in this country or made the visit to China, the Congress would not be in session during that period.

Q Does the Executive Branch customarily pay for trips of Members of Congress to foreign countries?

MR. NESSEN: It has paid for these previous six trips to the People's Republic of China. I should not say it has paid for the visits. It has paid for the transportation. It is part of the American foreign --

Q How about some hotel in Hawaii along the way?

MR. NESSEN: The details haven't been worked out, Frank.

Q Did you say they were going to be guests, and all of that will be taken care of by the Institute of China after they get there?

MR. NESSEN: Yes.

Q That is against the law. They are not supposed to be taking any money from any foreign government. Certainly it is a departure to have the White House announce that the Secretary of State and the White House are arranging a trip for the leaders of the Congress. That is something new.

Q Is this counterpart funds for China?

MR. NESSEN: We will check on that. I am not sure that is precisely the law, but I will check it for you.

Q In this meeting with oil men this morning, did he discuss the depletion allowance?

MR. NESSEN: Well, it was at their request and they brought up the subject matter. I didn't attend the meeting, so I can't tell you precisely what was discussed.

Q Can you give us his position on the depletion allowance?

MR. NESSEN: Well, his position is what I have been giving you, Gaylord, which is that he cannot take a specific position on the depletion allowance by itself; that it involves windfall profits and decontrol and depletion allowance, all part of a package, and somewhere down the road when that comes up for a decision, he will have to base his views on the depletion allowance on what is done by the other two elements.

Q As he discusses his capital investment with these two major oil company representatives here, Ikard and Spahr, I wonder if he is going to give some time -- equal time -- to discussing this matter with independent oil operators? We got some indication yesterday from the Hill that maybe the President will see some independent oil operators, representatives of them, later. Do you think this is possible?

MR. NESSEN: I am sure if they ask for a visit, he is always open to hear their views. I know the views of the independent producers were expressed to him during his trip to Texas. And also, I have heard relayed to him by Secretary Morton and others, their views.

Q You said earlier -- several days ago -- there was no agreement between the White House and Congress to not have a vote on the veto of the rollback of the tariff. How did it come about then that there will not be a vote, at least in the Senate? Was there an agreement?

MR. NESSEN: There really was not. As I said yesterday, I checked this out very thoroughly because I suspected there would be questions about it, and the White House simply had nothing to do with the Senate decision to send this to committee.

The President was assured that he had the votes to sustain the veto in the Senate and has now been assured that he has the votes to sustain the veto in the House.

I don't know very much about politics or Congress, but it seems to me that if there were the votes there to override, probably they would go ahead and override.

The President does prefer, actually, a clear-cut decision on this, but it is up to Congress whether it wants to try to override when the President now feels he can sustain in both the House and the Senate. The President vetoed that bill because he felt it was the right thing to do, and now there is a certain amount of parliamentary maneuvering going on. But regardless of that maneuvering, what the President thinks ought to be done is for Congress to pass an energy program.

Q Ron, did not Senator Mansfield tell the President that he would table that veto message?

MR. NESSEN: Before or after, you mean?

Q Before.

MR. NESSEN: My understanding is that he did not. The President received no assurances and asked for none on what would happen.

Q I am not saying there was any deal involved. But did not Senator Mansfield inform him?

MR. NESSEN: That is one thing I checked out yesterday, and I am told he did not.

Q When you say "clear-cut decision," you mean on the veto?

MR. NESSEN: Yes, sir.

Q Wouldn't that just aggravate the conciliation that he says he now wants to put into effect?

MR. NESSEN: That is what I said, regardless of the maneuvering going on in a parliamentary way, what he really wants to is get on and pass an energy program. But it is up to Congress to decide whether it wants to try to override or not. He believes he would be sustained now on both sides.

Q Was the President working with Congressman Rhodes when he pushed for a vote on the veto in the House?

MR. NESSEN: Only to the extent of what I have said here, that the President would prefer a clear-cut decision. But as far as the actual maneuvering up there, the President has not been in it.

Q What does this mean? Would he like to have a vote to override to see whether he could win it?

MR. NESSEN: Well, he is sure he could win it.

Q Would he like them to proceed with it?

MR. NESSEN: What he really wants is an energy program.

Q You seem to be shifting from his statement when he said what we don't need is a test of strength. Now that he has the votes, does he have second thoughts on that?

MR. NESSEN: I don't think that is the case.

Q Don't you?

MR. NESSEN: No.

Q That was the point of my question. On the onehand, he wants conciliation. He has this thing now moot and why push it?

MR. NESSEN: Part of this process, and he did his part, was to veto the bill because he felt it was the right thing for him to do.

Now, the clear cut way to do it would be for Congress to do its part, which is to either override or sustain the veto. But that is for Congress to decide.

Q Is he disappointed that the Senate is not going to vote this up or down?

MR. NESSEN: I don't know that I would use the word "disappointed." What he is coming back to is the need for an energy program and get on with that.

Q Did he tell the leaders he would like to have a vote?

MR. NESSEN: I think he passed on to Congressman Rhodes just about what I am telling you,-- that he would like to have a clear-cut decision.

Q Is that not scheduled for today? Has that been changed?

MR. NESSEN: Well, again this is something that you need to ask about on the Hill. But I think there is some indication that it would be sent to the committee and the House also.

The matter will come up on Tuesday, at which time they will decide that.

Q I think it is set for today.

Q The April 1 deadline that the President has suggested for getting the tax cut bill on his desk and a May 1 deadline for energy, if the time rolls around for an Easter recess and Congress has not taken action on either one, on either or both, would the President recommend they stay in session and skip the recess?

MR. NESSEN: That is too "iffy" down the line. He just wants them to get on and, first of all, pass the tax cut to fight the recession. It is through half of the Congress now. There are three more steps to go. He believes they can do it before they go home for Easter.

Q Has the President received any word on what to expect in the new unemployment figures, and does he still feel that we are not going to go beyond 8-1/2 percent?

MR. NESSEN: Well, I don't think he has received the figures yet. He is not supposed to receive them. There is a law, I think, that regulates that.

Q I didn't say the figures, but some advance indication of what direction they might be going.

MR. NESSEN: He has gotten the indication that it probably is going to come in. He really hasn't, as a matter of fact. Wait a minute on this.

Let me explain why I hesitated there. There was some indication a few weeks ago that they might come in one way and then in the past couple of days, there has been an indication they may come in in another way. So, at the moment --

Q Does he still feel we won't surpass 8-1/2 percent?

MR. NESSEN: Do you mean this month?

Q This month.

MR. NESSEN: Greenspan has said that the peak will be around 8-1/2 or perhaps slightly higher than 8-1/2.

Q How about this month?

MR. NESSEN: I don't know what the figures are for this month.

Q What were the indications that he received? What don't you give us that?

MR. NESSEN: I don't think that I should, Tom. They are coming out tomorrow at 10 o'clock, and we will know what they are.

Q Does the President intend to open his news conference tonight with a statement on Cambodia? Has he received information in the last 24 hours suggesting that the situation there has worsened?

MR. NESSEN: There is a possibility that the President may open his news conference with a statement tonight.

Q On Cambodia?

MR. NESSEN: It is possible.

Q Would an advance be available?

MR. NESSEN: That is possible, too.

The other part of the question -- is there some indication in the past 24 hours that the situation is getting worse -- I don't have any indication of that. He follows it very closely every day.

Q The reason I asked the second part of the question is that yesterday it appeared there would not be an opening statement, and I wondered if he has learned something overnight that caused him to now open the news conference with a statement.

MR. NESSEN: No, because if he has a statement, it would be more in the line of a history of negotiations rather than any statement relating to some new serious turn of events.

Q Not an announcement of action?

MR. NESSEN: No.

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Q Could you put it out early enough so we can file and get over to the EOB?

MR. NESSEN: If he has a statement, I will try to get it as early as possible.

Q Did he discuss the history of negotiations with Senators Humphrey, Case and Sparkman this morning?

MR. NESSEN: I just don't know, Tom, because I wasn't in the meeting. It was about aid, and all I can say is it is possible that he may have reviewed the negotiations.

Q What is the status on naming a new Commerce Secretary?

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

Q Are there names under consideration?

MR. NESSEN: I haven't checked that lately. I will have to look into that.

Q I would like to go back to unemployment. As I recall the Topeka news conference, at that same period of time Greenspan was saying there that it was 8.5 percent, but that would be several months away. Are you indicating that it is going to be at least 8.5 percent?

MR. NESSEN: I am not because I don't have even a vague notion of what it is going to be this month. I thought the question was dealing with, where was the peak coming, and I had indicated Greenspan said it would be about 8.5 percent, or perhaps slightly higher than 8.5 percent.

Q But what about the timing of the peak? Is the peak coming this month or next month?

MR. NESSEN: He thinks the peak will come about the middle of the year, sometime in the middle of the year.

Q Ron, the other day you said you were going to get us a copy of the memo that the President sent on the Arab boycotts. When are we going to get that?

MR. NESSEN: I will have to do that. It slipped my mind. I will check into it after the briefing.

Q On a related question, you said the day before that you would check on a question I asked you; that is, whether or not the President's directive for an inquiry into the Arab boycott included this Commerce Department list that the Commerce Department has been keeping for many years, and whether or not any agency had ever monitored the companies on that list to see if they were complying with the boycott or defying the boycott or, in other words, if it was just a list that was kept or whether it led to any action.

You said you would find out whether or not the President wanted that looked into.

MR. NESSEN: I did not find that out yet, Jim.

Q Do you know if it is against the law for the military to segregate by religion assignments to Saudi Arabia?

MR. NESSEN: The military is not segregated by religion on assignments to Saudi Arabia or anywhere else. Someone asked me the other day something about Iceland, I think.

Q That isn't religion, that is a state of mind.

MR. NESSEN: I did check on Iceland, and the answer is that the State Department on November 17, 1961, which was 14 years ago, announced that it was changing a previous policy and would thereafter and has thereafter not discriminated against black officers going to Iceland.

As for the Saudi Arabian question --

Q Black officers.

MR. NESSEN: -- and enlisted men. I have put a mark in here somewhere.

Q You found nothing on Iceland since 1961, and you found no protest by the Icelandic government in recent years?

MR. NESSEN: I was asked about what the policy is, Jim, and the policy since 1961 has been no discrimination against black military men.

Q They are currently being sent to Iceland if their normal assignment calls for them?

MR. NESSEN: You will need to check the Pentagon on that. I am not even sure they keep records by race over there, but you need to check with them.

On the question of Saudi Arabia, there is no agreement in any form between the government of the United States and any foreign country to exclude American citizens from serving in that country on religious or ethnic grounds.

As we mentioned the other day, it is established diplomatic policy that any country can refuse entry to a citizen of another country for its own reasons, but I want to emphasize that as far as the American government goes, we do not have a policy of segregation in assignments overseas. Also, we have made these views known to other countries.

Q What was the Corps of Engineers was doing? Was it prescreening the visa applications, and the Saudis would never get the applicants of any Jews. That is what they are going to cut out.

MR. NESSEN: That is what Secretary Schlesinger said the other day. If that is true, he said that he was not aware of it, but that he was going to investigate it thoroughly. If something like that had taken place and disciplinary action was necessary, he would take it.

Q I believe in answer to a question you said you did not know it was against the law or not. My question is, do you now know it?

MR. NESSEN: Whether it is against the law? It is certainly against American policy.

Q Policy and law are two different things.

MR. NESSEN: One of the things that these departments are looking into is what laws are involved in these various things, and those reports have not come back yet.

Q It is really one of the key things we have been trying to establish here over the past several days, because if this practice was going on, regardless of whether or not it violated policy, if it violated a law, that would be something else.

Is there no way you can find out? I understand the President is asking for investigations as to what the laws are, but this has been going on for quite some time. There is no way that you can find out whether there is or is not a law that applies to the prescreening process that the Corps was doing?

MR. NESSEN: That is precisely what Secretary Schlesinger said he was doing, and what the Justice Department has been instructed to do.

Q How long does it take them to get a law book and hire a lawyer and have him look it up?

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

Q But another boycott -- our boycott with Cuba -- a few days back when you were asked by Walt whether there was a change in policy as exemplified in Dr. Kissinger's Houston speech, in your answer you said that since the U.S. is a member of the OAS, if they voted to end the trade sanctions against Cuba, the U.S. would be -- and I think this is the phrase he used -- "bound by international law to go along."

I looked into that, and just because we are a member of the OAS doesn't mean we have to go along with that. Is what you were saying and whether you say now that if OAS votes to end the sanctions the U.S. will go along?

MR. NESSEN: I am not saying anything. All I was doing was trying to remind you of what Secretary Kissinger said and what the President said, which are in tune. If you care to, the two paragraphs of Secretary Kissinger's speech which apply read as follows:

"If the OAS sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba and in its regulations. Our decision will be based on what we consider to be in our own best interests and will be heavily influenced by the external policies of the Cuban government.

"We see no virtue in perpetual antagonism between the U.S. and Cuba. Our concerns relate, above all, to Cuban external policies and military relationships with countries outside the hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will. Fundamental changes cannot come, however, unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be found."

One of the problems here is that perhaps we have been talking about Secretary Kissinger's speech in terms of headlines and so forth without going back to the exact words. I think you see from the words that what he and the President said were precisely alike.

Q As a matter of record, you were incorrect when you said we would be bound by an OAS decision as a matter of law.

MR. NESSEN: No, that is not the case. These are Secretary Kissinger's words: "The United States considers itself bound by the collective will" -- of the OAS -- "as a matter of international law, and so there can be no change in our bilateral relations with Cuba as long as the OAS mandate remains in force."

Really he was saying kind of in the negative form that we are bound by the law to maintain the sanction until it is lifted, so the reverse is what he was saying.

Q The reverse of that is not true, that he would be bound by the decision nullifying or ending this.

Q A lot of the members of the OAS trade with Cuba right now.

MR. NESSEN: I know.

Q The Mexicans never consider themselves bound at all.

MR. NESSEN: I would like to have an opportunity to check out that one remaining one, whether the opposite is true, whether we would be bound by international law to lift the sanctions if the OAS voted to do so.

Q What is the President's view of Secretary Simon testifying that he prefers the rebates and it will be weighted in favor of those over \$10,000?

MR. NESSEN: Secretary Simon was doing nothing more than approving the program, which the President approved and recommended. I see no reason why the President would not approve it. Secretary Simon was defending the President's views.

Q I have one short question. What effect, if any, does the President think that the shooting in Tel Aviv will have on Secretary Kissinger's mission?

MR. NESSEN: He has only gone out there yesterday, as you know. I am not sure he has arrived in the Middle East yet. It is impossible to tell what, if any, effect it would have as far as the United States is concerned. We would hope that nothing will hinder the progress of negotiations that the Secretary is undertaking.

THE PRESS: Thank you, Ron.

END (AT 12:30 P.M. EDT)