

This Copy For _____

NEWS CONFERENCE

#162

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:47 A.M. EDT

MARCH 11, 1975

TUESDAY

MR. NESSEN: The President, at 10:50 this morning, as some of you know, met briefly with the 1975 Maid of Cotton, Miss Kathryn Tenkhoff of Sikeston, Missouri. She came here with her Congressman, Representative Bill Burleson. She is 21 years old and a senior at the University of Missouri School of Journalism. Secretary Butz also attended the meeting.

Q Did Butz come over just for that?

MR. NESSEN: Cotton is in his area of responsibility.

Q How much cotton do they grow in Missouri?

MR. NESSEN: They grow cotton queens in Missouri. They grow the cotton somewhere else.

At 11 o'clock the President began a meeting with his economic and energy advisers to review the current status of the tax legislation and several other economic matters. The participants are the President, the Vice President, Secretary Simon, Bill Seidman, Dr. Greenspan, Jim Lynn, Dr. Burns, Frank Zarb, Secretary Dunlop and Bob Hartmann.

John Carlson of my office is in the meeting and will come out here and tell you of anything of interest in there.

At 12:45, Frank Stanton, who is a former President of CBS, will pay a courtesy call on the President to inform him that a study by the Panel on International Information, Education and Cultural Relations has been completed.

This is a privately funded commission organized by the Georgetown University Center for Strategic and International Studies. They have recommended a restructuring of the Executive Branch international information and cultural activities, and suggestions for giving new impetus to these activities.

MORE

#162

This is not a study that was commissioned by the President. In 1973 Dr. Stanton was asked by the U.S. Advisory Commission on Information and the U.S. Advisory Commission on International Education and Cultural Affairs to head a special panel to review the operations of the USIA, VOA, and the Bureau of Cultural Affairs.

If you want further information on this, it is a private group. You can get in touch with the Georgetown University Center for Strategic and International Studies.

At 2 o'clock the President is meeting with Defense Secretary Schlesinger. They do have these periodic meetings to discuss various Pentagon issues and the defense budget. The Secretary has been testifying on the Hill recently on the 1976 Defense Department budget.

We have given you, I believe, the announcement that the President intends to nominate William C. Harrop of Princeton, New Jersey, to be the Ambassador to the Republic of Guinea. He is succeeding Terence A. Todman, who was appointed as Ambassador to Costa Rica.

Since 1973 Mr. Harrop has been the Deputy Chief of Mission in Canberra, Australia. Prior to that, from 1969 to 1973, he was the Director of the Office of Research and Analysis for Africa in the State Department. He is a graduate of Harvard in 1950, and he studied journalism also at the University of Missouri. He is a career Foreign Officer, and you have copies of his biography.

I don't have any further announcements.

Q Ron, you said yesterday you would check on whether the President disagrees with Governor Reagan's contention that American citizens deserve protection on the high seas.

MR. NESSEN: I didn't say disagree, did I?

Q You said you would check. Does the President feel we should go on tolerating this seizure of 132 of our tuna boats?

MR. NESSEN: The situation on the tuna boats is as follows: One, the United States has protested to the government of Equador officially; two, the United States is itself negotiating with the government of Equador on the issue of fishing rights; third, the Law of the Sea Conference reconvenes on Monday in Geneva, at which this issue will be discussed and hopefully resolved; and four, there is no indication that we have that any American ships that had been loaned or sold to the Equadoreans were used in these matters.

Q Is this next Monday?

MR. NESSEN: The Monday coming.

Q In the event that this is not resolved-- because it has been going on for 13 years--will the President provide American citizens protection of the United States Navy that they are paying for or not?

MR. NESSEN: Two things. I would rather not go on the assumption that the Law of the Sea Conference will not resolve the issue. Secondly, as a general matter, the United States does not believe in anything that would even smack of gunboat diplomacy.

Q Ron, on the meeting with Mr. Schlesinger this afternoon, will Cambodia be a part of the discussion?

MR. NESSEN: Bob, I haven't seen an agenda for that. It is a general periodic meeting they have on defense matters, and I just don't know.

Q Ron, if I may, could you tell us if in fact the President has received information from the CIA that the Phnom Penh government is not viable and cannot survive no matter how much U.S. help it gets?

MR. NESSEN: The President has received cables and other reports describing the situation and outlook in Cambodia and what the Administration has been saying publicly is what the President has been hearing privately.

To sum that up very briefly, it is that without additional aid there is no chance that Cambodia can survive this dry season offensive.

With the aid, there is a reasonable chance -- maybe a 50-50 chance -- that Cambodia can survive the dry season. That is what he has been told privately, and that is what he is saying publicly.

Q Do you mean Mr. Colby has given the President one assessment and has given Members of Congress another assessment?

MR. NESSEN: Jim, I think you ought to read carefully what the reports of Mr. Colby's testimony were yesterday because I did this morning and talked to some others about it. As you know, Mr. Colby testified in private and what was quoted in the newspapers was the word "impression", that some Members of Congress who heard the Director got the impression that the outlook was gloomy there.

The President has received cables from the Embassy in Phnom Penh. These cables indicate what I have said to you, which is that without aid there is no hope; with aid there is some hope. I believe that was the thrust of Director Colby's testimony.

Q Ron, what about beyond the current dry season?

MR. NESSEN: If the aid comes in time and in adequate amounts, and if Cambodia is not defeated militarily in this dry season and it gets to the wet season, then there would be the hope that there could be a negotiated settlement during the wet season.

I think it is clear that nobody here has said that aid would enable Cambodia's government to win a military victory. The idea is that if they don't get the aid and they are overthrown, then clearly there is no hope of a negotiated settlement.

If they get through the dry season to the wet season, at least there is a hope of a negotiated settlement. Along that line, there is some indication in the cables he has received that the insurgent side also is having its problems and that hopefully -- and it is a hope -- during the wet season the insurgents would decide to settle it through negotiation.

MORE

Q Why, Ron, if no one here has hope of a military victory, is it presumed that the insurgents would settle for less than the victory that everyone here presumes they are going to get?

MR. NESSEN: I don't know where that presumption comes from, Les.

Q Let me try to rephrase it. You just said, nobody here says that there is hope of a military victory by Cambodia. Why, therefore, does anyone presume that the insurgents are going to negotiate?

MR. NESSEN: As I say, there are indications that the insurgents are having their problems with supply and manpower. If they are convinced that the United States will help the Cambodian government to survive and not suffer a military defeat, then there is the hope that they would decide to settle through negotiation and not wait for another dry season offensive.

Q Do you have any information on what is happening in Cambodia this morning; if the government reorganization apparently is going on?

MR. NESSEN: I have only seen the wires stories, Carroll.

Q Do you know what is happening in Portugal?

MR. NESSEN: All we have seen are the wire stories. We really need to await further information on that.

Q Ron, what is the embassy saying about Lon Nol's intentions as to staying in office?

MR. NESSEN: Well, I think he has spoken publicly on that. The thing to keep in mind, I think, is that Cambodia has a constitutional government. Just a second before you chuckle that one away.

The fact is that Prince Sihanouk appointed Lon Nol as Prime Minister. Prince Sihanouk appointed Lon Nol as Prime Minister in August of 1969. On March 18, 1970, the Cambodian National Assembly voted Sihanouk out of office 92 to zero during one of his absences from the country.

Under the Cambodian constitution, Lon Nol continued as Prime Minister and Minister of Defense.

There was an election in Cambodia in June, 1972, in which there were three candidates in the race for president -- Lon Nol and two others. The election went off and Lon Nol received 55 percent of the votes. His two opponents received the other 45 percent of the votes.

The only point I make in tracing that history is to point out that there is a constitutional, elected and legitimate government in Cambodia. The Cambodian constitution provides ways for the Cambodians, themselves, to change their government if they are not happy with it for one reason or another.

Q Then, the U.S. has no position -- President Ford has no position -- on whether the Lon Nol government should stay or go?

MR. NESSEN: It is up to the Cambodians to decide who they want for their leaders. The President said the other night that, of course, as far as the United States is concerned, the settlement does not depend on any particular personality.

Q Ron, would you please tell us what reaction the White House has to the increased fighting in South Vietnam, and with how much concern do you view it?

MR. NESSEN: The new fighting in South Vietnam is being watched closely. The reports indicate that so far, no Americans have been wounded or killed. The United States considers the North Vietnam attack to be a clear violation of the ceasefire agreements.

The President is very anxious to have Congress pass the \$300 million request he has asked for because this would help the Vietnamese repel attacks like these, and provide them with the security they need to survive.

Q Does the President hold open the option of resumed bombing of North Vietnam?

MR. NESSEN: I think he was very clear the other night at the news conference.

American involvement in Southeast Asia has ended, and will not resume.

Q Why did you make the point of saying, then, that there were no Americans killed or injured in the current fighting?

MR. NESSEN: I thought whenever there is any outbreak of fighting anywhere in the world, there is normally concern about Americans. There are 7 missionaries, 5 contractors, a Red Cross worker and an aide officer, and the only reason I raised it was because there is normally interest in Americans in a fighting zone.

Q Why do you suppose there is so much confusion, or at least a difference of opinion, on the interpretation of these cables that are coming out of Cambodia, Ron? Senator Humphrey seems to think that they say one thing and Mr. Colby, yesterday, got an entirely different impression than you get. Do you think these people are trying to just use this for political purposes and are deliberately misleading us?

MR. NESSEN: I don't think so, Bob. Senator Humphrey, I know, saw the same cables that I have been seeing. They were shown to him by Assistant Secretary Habib. I don't want you to think that any of these cables have very much good news in them or are very optimistic about the future, but I do think you have to read precisely what they say as far as the short-term outlook and the long-term outlook goes. I have been giving you an accurate reading of what these cables say.

Q It is very strange that in the White House we have a crisis and we have fought for 10 years in this area. Has there been any crisis meeting with the NSC in the absence of Kissinger, and where is Kissinger?

Actually, this is an offshoot of his policy and the results. My point is, is anything being done on an emergency basis in the White House?

MR. NESSEN: The thing that is needed now, the President feels, is for Congress to vote the extra money to help the Cambodians survive, or let me say, to give the Cambodians a chance to survive the dry season offensive.

Q When you talk about getting through the wet season and that the insurgents will be weaker, isn't it logical that they would emerge from the wet season much stronger and regrouped and resupplied. It seems to be some of the same erroneous rationale that was used for years in Vietnam, that the rainy season would weaken the other side.

MR. NESSEN: I haven't really gone beyond reaching the wet season, saying there is a chance that with aid, the Cambodians can survive to the wet season, and during the wet season, hopefully, would there be a negotiated settlement.

Q What is your understanding of what this aid would buy that would enable the Cambodians to survive?

MR. NESSEN: It would prevent them from running out of ammunition, primarily.

Q Ron, when is the wet season?

MR. NESSEN: It varies, but it is somewhere between the middle of June and the middle of July.

Q Ron, where is the ammunition that would be sent to Cambodia if the aid were, say, passed tomorrow?

MR. NESSEN: I am not entirely clear on where it is stored, but it could be quickly gotten there.

Q Ron, are there stocks of ammunition that could be transferred from South Vietnam and Cambodia without additional appropriations from Congress?

MR. NESSEN: As you know, there is on the Hill an idea -- instead of passing a supplemental appropriation -- of giving authority to draw down supplies from other areas. That would be one way of doing it. It has been discussed in Congress.

Q Is that acceptable to the President?

Q What about negotiations during the wet season?

Q Could you answer Jim's question? It was a follow-up of the previous question.

MR. NESSEN: The Administration, at the moment, feels that speed is especially important, and the Administration wants to work with Congress on a method of getting the ammunition there and in a way that will get it there fastest.

Q I don't understand your answer.

MR. NESSEN: That is often the case.

Q I thought we would have a little variety here. You know, you have given an answer which says that speed is essential. I can't tell from that whether you think this proposal on the Hill would meet that speed criterion or not. Is it acceptable to the President?

MR. NESSEN: Well, it is up to Congress to decide how to do this. The Administration has made its request for a \$222 million appropriation, and that is what the Administration feels is the adequate amount.

Now, the important thing is speed and the Administration is working with Congress on a way to get the ammunition there the quickest.

Q I sort of get the impression you are trying to tell us it is acceptable to the Administration but you are overcome with an excess of coyness and can't quite bring yourself to it.

Q Would you disagree with the interpretation that your answer means that this is acceptable to the President?

MR. NESSEN: I am just letting you do the interpreting.

Q Does the President consider that he needs Congressional approval to get any additional ammunition, or are there any unilateral approaches that he might take in transferring equipment?

MR. NESSEN: He needs Congressional approval.

Q Ron, yesterday, in relation to the same question Jim was asking about alternatives before Congress, you used the words "10 to 12 days" as the period in which it had to be done. To follow up on that, are you saying that if it is not done in 10 to 12 days we have reached the point where according to Hill sources some intelligence groups already place this as too late?

MR. NESSEN: I would not like to go beyond the fact that the President feels that this is needed within 10 to 12 days.

Q Why say 10 to 12 days if it is not the difference between soon enough and too late?

MR. NESSEN: I just don't think it is possible to put that fine a point on it, Steve.

Q Would you elaborate on just what sort of problems we are given to understand that the insurgents are facing now and how we come by this knowledge?

MR. NESSEN: I can't go into how we come by the knowledge, and I don't want you to get real firm on this, except to say that cables from Phnom Penh suggest that they might be having their own problems with supplies and manpower.

Q How serious are these problems? Do we know? How long can they continue to operate?

MR. NESSEN: These are possible problems, and I don't have any of those kinds of answers.

MORE

#162

Q Ron, when we talk about negotiations in the wet season and holding up when the monsoon hits, I would like to know if you know -- you being the White House -- specifically who you are going to negotiate with within the insurgents themselves because much of this is hanging on the balance in negotiations in the wet season.

Is there a leader of the Khmer Rouge that they can negotiate with, or are we negotiating through Peking? How are these negotiations, which are the crux of this, going to hang together?

MR. NESSEN: It is one of the problems. I guess the Washington Post raised it today in an editorial -- who do you negotiate with. Phil Habib laid out the other day a record of negotiations and attempted negotiations so there would be a way to do it.

Q Are you suggesting that if you get the money now and they make it, there is a good chance for negotiations?

MR. NESSEN: Just a second now. I am trying to be careful with my words, and I hope you will be careful with my words. I say if they survive the dry season, there is the hope that there could be a negotiated settlement.

I think that I said that half the way through because if I can just back up one moment and make a philosophical statement, I think the Administration has been unemotional and nonstrident in this area. The President has reviewed all of the evidence and feels that his course is right. I think the President has certainly been careful with his words, and I have tried to be with mine.

Q I apologize for misstating you. If there is a hope for negotiations -- and that is what the President is basing this on -- is the President willing to go to the Congress to get this \$222 on the premise he won't ask for any more should the negotiations break down after the wet season?

MR. NESSEN: I think that what he said publicly is that he feels that if he and Congress could agree on an adequate amount of money for three additional years of aid to Indochina, that he would be willing to say that that is it. *47*

Q He said South Vietnam, and I know the press conference that you are talking about. Did he mean to say South Vietnam and Cambodia and Southeast Asia?

MR. NESSEN: That was my understanding, but I would be willing to check it to make sure before you go with it.

Q Ron, the President has suggested that no personality is a roadblock to a settlement that is acceptable to both sides, and Lon Nol has publicly said he would step down if that would bring negotiations.

Has such a quid pro quo been suggested through diplomatic channels, and if so, which ones, and has there been a response?

MR. NESSEN: I am not aware of any such quid pro quo being suggested through channels.

Q The United States is playing an active role in fostering negotiations in Cambodia?

MR. NESSEN: I think Phil Habib gave you a very thorough rundown of all of the negotiating efforts over the years.

Q That was in the past, though, and what about right now?

Q What about currently -- now?

MR. NESSEN: As I said yesterday, I think questions on negotiations ought to be addressed to Phil Habib or the State Department.

Q Ron, for the past couple of days you have been talking about 10 to 12 days. What is the time frame exactly, and what date are you talking about?

MR. NESSEN: I don't know the precise day, but I can't remember the first time we used that date. It was about two days ago, I think.

Q If Cambodia falls, will the President blame Congress?

MR. NESSEN: I don't believe I can answer that question. The President spoke on that the other night himself, and I think that was in answer to your question.

Q Do you have a list of Americans that are in Phnom Penh that would have to be evacuated; a figure?

MR. NESSEN: The Embassy does. I believe it is roughly 400.

Q Some news reports have said that some Embassies have already begun evacuation, and ours was supposed to. Do you know whether the U.S. Embassy has actually begun an evacuation of U.S. nationals?

MR. NESSEN: I am not aware that the evacuation plan has gone into effect. I think certainly the dependents are gone. The Ambassador makes the decision on those things. As to the nonessential people, I think it was suggested that they leave on their own.

Q When did he suggest that?

MR. NESSEN: We will check on the time period.

Q Have they started to leave, or is it still in the suggestion stage?

MR. NESSEN: The plan that you are thinking of has not gone into effect, in other words.

Q That is not even for nonessentials?

MR. NESSEN: It was a suggestion.

Q Have any of them left?

MR. NESSEN: We will check on that.

Q You referred to the Post editorial, which I hadn't seen or just glanced at, and that refers to negotiations through the emissaries in Peking. May I assume from your answer that that is the way a negotiated settlement would come about if the present Phnom Penh government survives through the rainy season.

MR. NESSEN: I would suggest that you take up those questions with the State Department.

Q You spelled out that the Cambodians have a means of changing their own government constitutionally. Did you have the possibility that U.S. officials, acting with the knowledge of the President, either have or will advise Cambodian officials on a desirable change of government?

MR. NESSEN: I don't know of any such instructions or actions.

Q Beyond what the President gave at his press conference the other night?

MR. NESSEN: Which was that personalities will not stand in the way of a settlement, but it is up to them to change their government or keep it.

Q In view of what you have earlier said about the legitimacy of Lon Nol, what does the White House feel about the suggestion by Senator Scott that Lon Nol step down?

MR. NESSEN: If I understand correctly, and I think I do, Senator Scott issued, I guess you would have to say, additional remarks on that, and you really should see his full remarks because as I understand it, Senator Scott did not intend to leave the impression that he left.

Q What you are saying is that that impression would be gratuitous, wrong, or inappropriate?

MR. NESSEN: I cannot speak for Senator Scott. I am saying what the White House position is.

Q You are saying the White House's understanding is that Senator Scott does not want Lon Nol to step down?

MR. NESSEN: I am not going to speak for Senator Scott. But just by way of a little guidance from here, I am told that he has elaborated on his remarks.

Q Did the President call him?

MR. NESSEN: Not that I know of.

Q Or speak to him personally?

MR. NESSEN: Not about this.

Q Everybody we have questioned you about didn't say what it appears that they said. Senator Humphrey really didn't mean what he said. And the people quoted after the Colby briefing on the Hill yesterday didn't really say that. And now, Senator Scott.

MR. NESSEN: Oh, no, I don't think that that is right. I think what I said was that Senator Humphrey saw the same cables that I have been citing to you. There is certainly nothing optimistic in there. But in the short-run, I have given you an accurate description of what the embassy has reported.

I did point out that if you read the reports on the Colby testimony carefully, there were people who said they got the impression that he wasn't very optimistic, and that kind of thing. And as to Senator Scott, I am just offering this because I heard it informally here today, that he had elaborated on it. I am not denying anybody's remarks.

Q You said there is nothing optimistic in the cables, but I have it written down. You said the cables suggest that they might -- that is, the insurgents might -- have problems. Isn't that a rather staggering optimism at the same time we are evacuating the non-essentials? I am a little confused.

There is one other item while we are at it, a two-part question: In other words, you said that there is nothing optimistic. And yet, there is a cable suggesting they might have problems, the insurgents. The insurgents don't seem to me to have very many problems.

But, Ron, are you denying the Washington Post report or -- excuse me, the Washington Star report -- that it was a U.S. P T boat given to Equador that seized the Neptune? Are you denying this or is there a false report or was it a U.S. PT boat given to Equador that seized these seamen?

MR. NESSEN: The check I make this morning was that there was, at the point I checked this morning, no indication it was an American boat. But I am certainly not going to deny the story based on the amount of checking I was able to do this morning.

Q Do we have the Carlson report on the economy?

MR. NESSEN: John isn't back yet.

Q Could I ask one more thing about Cambodia? Secretary Schlesinger is a pretty accessible person. Could you request that he be available to us after being with the President?

MR. NESSEN: We will ask him.

Q A final point on Cambodia: I don't want to belabor this, but when I asked a question about negotiations in Cambodia, you referred me to the State Department. Isn't that a question, as long as this whole thing hinges on negotiations, that you can answer?

MR. NESSEN: Well, only the fact that the State Department has done all of the research that led up to Phil Habib's briefing the other day, and I assume that the aim is to get the most accurate and up-to-date information. They have it over there, Walt.

Q But, Ron, my question is: Has the President ordered the State Department or the Secretary of State, or any agent there of to initiate a new round of negotiations, given the critical situation in Cambodia?

MR. NESSEN: Well, I don't know that there is a need to initiate a new round of negotiations.

Q You don't?

MR. NESSEN: I do think that the State Department is the proper place if you want the most accurate information on the status of negotiations.

Q What is the President's view on whether we should now make a new special effort?

MR. NESSEN: I think the President spelled out his views on the need for a negotiated settlement the other night at the news conference.

Q I want to get it on the non-essential people leaving.

MR. NESSEN: We are checking on when and if that order was given and if so, how many have gone.

Q Do we know how many Americans have left Phnom Penh?

MR. NESSEN: We are checking that and will come back with an answer.

Q May I ask a question on some other subject?

MR. NESSEN: Certainly.

Q I bring this here because of the talks on judges needing to get more salaries and that sort of thing. We have got hundreds and hundreds of doctors now in the Veterans Administration leaving the Veterans hospitals throughout the country because they didn't get the bonus last year that was given to Army doctors and the doctors in the public health service. So, the Army is raiding the Veterans Administration for doctors.

It seems to me the White House ought to do something about that because I think it may have been the White House that suggested the Veterans Administration not ask for for this bonus, but to just let the Army and public health service have it.

MR. NESSEN: Let me check that, Sarah. I wasn't aware of that situation, but I will check it.

Q It is rather crucial.

Q What can you say about the eventual visit of the King of Morocco?

MR. NESSEN: We don't have anything to announce about a visit from the King of Morocco.

I guess the most burning question yesterday was, what are the President's views on assassination. Even I figured that out.

The President has been assured that assassinations are not going on.

Q They don't go on but that has been --

MR. NESSEN: This is the question I was asked to get answered, and I am trying to answer it.

Q Let him finish the answer.

MR. NESSEN: The President has been assured that assassinations are not going on. Let me re-word that a little bit. The President has been assured that there is no policy of assassinations -- if that helps out a little bit -- and he is opposed to a policy of political assassinations.

Q Is that for the current situation now or was that the past? He is saying there never was a policy?

MR. NESSEN: I was asked what his policy is in this area, and I have given it.

Q Is he saying that such operations ceased?

MR. NESSEN: Beyond that, I am not going to be able to answer any CIA or assassination questions.

Q Why not?

Q How about character assassinations?

MR. NESSEN: I am simply not going to be able to answer any other questions on assassinations or the CIA.

Q You said you were going to check yesterday concerning the Church inquiry and how the Church committee was supposed to channel its requests, and whether the President discussed with Vice President Rockefeller how to handle the Church investigation and the CIA issue.

MR. NESSEN: I am just simply not going to be able to answer any other questions on the CIA.

Q Ron, let me try tax cuts.

Q Could you say why you can't answer?

MR. NESSEN: I am not going to be able to answer any other questions on the CIA matter.

Q Is that at the President's request that you not say anything about it?

MR. NESSEN: I am not going to be able to answer any other questions on the CIA.

Q You cannot say whether the charges concerning the maffia and the CIA and an alleged attempt to assassinate Castro have been investigated by the government or are they being investigated or will be investigated in the future?

MR. NESSEN: I am not going to be able to answer any other questions on the CIA.

Q Maybe when John Carlson comes out he may have something on this, but until he does, over the weekend, the Joint Economic Committee proposed that there be a total tax cut this year of \$35 billion.

Now, in view of what the President said at his press conference the other evening, the size, itself, of the cut isn't nearly as important as the speed with which Congress passes it.

I was wondering, is the President aware of that JEC recommendation and also, the apparent tendency by the Senate to enlarge upon the House-passed bill? If so, in other words, would he accept an even larger cut than the House has already passed?

MR. NESSEN: I think what he said the other night was that speed is the important thing; that the size could vary between \$16 billion and \$19 billion.

Q How about above that?

MR. NESSEN: He also said that if, in the future, it appeared that the economy needed further stimulation, that he would favor doing that stimulation through tax cuts rather than spending. But he does feel that his tax proposal, which was \$16.5 billion, or maybe slightly larger, up to \$19 billion, is what is needed at the moment to get the economy going. He feels that it is needed quickly.

Now, I think it is true that the Senate will be taking off for yet another vacation here 10 days from today, on the 21st of March. The President is really concerned that the Senate will go off on its vacation still not having completed action on the tax cut.

The tax cut that will stimulate the economy was proposed on the 15th of January and we are coming up now on 60 days, and then the 21st of March would be more than two months.

If the Senate takes its vacation without passing a tax cut to get the country out of the recession, the President would find that just unbelievable.

Q Aren't they contemplating extending the recess beyond the 21st?

MR. NESSEN: You would have to ask them up there. The President has mentioned, both yesterday and today, how short the time is growing between now and Congress's next recess.

Q The President is leaving for a vacation?

MR. NESSEN: We haven't announced any trip to Palm Springs, Jim.

Q He did say today that he was going to California for Easter, as a matter of fact.

MR. NESSEN: There is no trip to Palm Springs announced at the moment.

Q He announced it himself in the Oval Office. He said he was going to California for Easter.

MR. NESSEN: There has been no trip announced, and you know those trips aren't official until they are announced.

Q They haven't announced that the Senate is going out formally yet?

MR. NESSEN: I think that they have.

Q They have to announce that formally, and if you are going to be very formal about it, that is a point.

MR. NESSEN: Rather than haggling about that, there are ten days left before the Senate's intended recess, and the President is very concerned that they will go out without passing this tax cut. He feels that people are losing their jobs, companies are cutting back, people need purchasing power, and they need it soon.

Purchasing power will recreate jobs, and he just can't understand why Congress won't pass a tax cut quickly, which everybody agrees is needed.

Q So, the President would not be as disturbed by the Senate adding more money to the Hosse passed bill as he would by further delays?

MR. NESSEN: He said \$16 to \$19 billion is the area that he feels is needed to stimulate the economy.

Q And perhaps more if the economy worsens?

MR. NESSEN: Somewhere down the road.

Q The specific question is, would the President accept a tax cut of more than \$19 billion?

MR. NESSEN: Is there any tax cut of more than \$19 billion that has been passed by Congress? The President would like a tax cut passed by Congress.

MORE

#162

Q Would he accept a tax cut of more than \$19 billion?

MR. NESSEN: There has been no tax cut passed at all by Congress, and he clearly cannot and never does indicate his feelings about the kind of answer you want until the legislation has been passed. The question is to get the legislation passed.

Q In his original tax cut proposal, the President called for an initial distribution of a rebate in May. If the Congress passes a tax cut sometime in April so that the money can go out in May, will that be so unbelievable and so terrible?

MR. NESSEN: As I mentioned before, it takes time for the Internal Revenue Service to crank its computers up to give the rebates, and the longer you wait until you pass the legislation, the longer it takes to get the tax cut back.

Q In your choice of the words "the Senate taking another vacation," is that your characterization or has the President been critical of too many vacations?

MR. NESSEN: They have had one and now they are about to take another.

Q In the press conference the other night, the President was asked about Mr. Nixon's desire to come back and help the Republican Party. He said it would be inappropriate to comment on this because the President is recovering from sickness.

Yet, I remember reading about the President going to a big party in Palm Springs. I am a little confused there. I am wondering, will the President -- if he goes to California -- pay a sick call on Mr. Nixon, or how sick does he think he is? Can you give us some enlightenment on that?

MR. NESSEN: I can't.

Q Do you have anything on the economic meeting? I saw John Carlson.

MR. NESSEN: John is going to take a little time to get his thoughts together, and he will post a summary of the meeting at 2 o'clock.

Q How about the nonessential people in Cambodia?

MR. NESSEN: I am told that there are very few dependent persons or nonessential people there. Some have left and some haven't.

Q The ones who are there haven't gone?

Q Can you tell us when they started leaving?

MR. NESSEN: The State Department has the figures, I am told.

Q Did the President express his concern about the Senate vacation to Senators Mansfield and Scott when they were with him yesterday?

MR. NESSEN: I think that meeting was on another subject. I think Congress is aware of the President's feeling about the need for speed on the tax cut. I guess he spoke more forcefully on that than any other issue the other night at his news conference.

Q How long was the meeting?

MR. NESSEN: It started at 11 and it has just ended.

Q Has the President spoken about the latest unemployment figures and what they mean? The unemployment rate stayed steady, but it was interpreted widely that 500,000 or so people are staying out of the labor market and not looking for jobs. Did the President have anything specific on that to say?

MR. NESSEN: We had some White House reaction, but I didn't have anything specifically from the President.

Everytime unemployment is talked about, he always makes the point that what is needed to get people their jobs back is money. They can buy things and then the companies that produce the things will crank up and hire people back.

Q Ron, you have been saying for some time now that should the need for further stimulation arise, the President would then consider additional stimulus. Has the President reached a new decision yet, and has he made his review. Is he about to announce whether more is coming or not?

MR. NESSEN: You heard him only three or four nights ago say \$16 billion to \$19 billion is the amount that is needed. There has been no change in that.

Q When are we going to get the memo on what the President said on the Arab boycott?

MR. NESSEN: That magic day has arrived. I haven't had time to get any copies run off. Those who are interested can pick them up in the Press Office.

Q Has something come back?

MR. NESSEN: It is a memo to the Secretaries of State, Treasury, Defense, Commerce and the Attorney General.

Q Dated when?

MR. NESSEN: It is dated March 4.

THE PRESS: Thank you, Ron.

END (AT 12:35 P.M. EDT)