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NEWS CONFERENCE

#344

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:50 A.M. EDT

OCTOBER 13, 1975

MONDAY

11:50 A.M. EDT

MR. NESSEN: Let me just say one thing about the trip tomorrow. I think we will probably get a bible out tomorrow rather than today. If we have excerpts from the speech in advance, they will also be tomorrow.

Q Ron, is there any particular reason why this delay -- are stops or events being added to it?

MR. NESSEN: No, the full schedule is not completely nailed down yet. I can give you a rough outline of it.

Q Would you please?

MR. NESSEN: I would think we are going to be leaving here late in the afternoon. By late, at the moment, it looks like the press plane would leave about 4:30 with a check-in at Andrews at 4:00. This is not final.

The President would leave Andrews at 5:05 and get to Hartford at 6:00. The President is expected to get back at 11:00, to the White House, and the press plane at about 11:30.

Q What time on the President?

MR. NESSEN: 11:00 at the White House.

Q Where is this fund raiser?

MR. NESSEN: The fund raiser is at the Sheraton Hotel in Hartford.

Q That is the only event?

MR. NESSEN: At the moment, yes.

The President is at the Hartford Sheraton and then he gets in the car and drives to the Civic Center, which is where the fund raiser is.

MORE

#344

Q How much?

MR. NESSEN: I don't have those details at the moment.

Q Will there be a reception as well?

MR. NESSEN: No, according to this he goes right into the dinner.

Q Is the Civic Center the Gardner Auditorium?

MR. NESSEN: I don't know. It is listed here as the Civic Center.

That is all I have at the moment on that trip. We will fill in the details tomorrow.

Q Is there anything on another trip?

MR. NESSEN: No.

Q We should plan to take a long weekend off?

MR. NESSEN: Yes, you could. There isn't anything coming up.

We have had a lot of questions here about how does the President expect Congress to set a ceiling on spending when the President won't tell them specifically what he wants cut and, also, isn't it a trick to have tax cuts take effect January 1 and budget cuts take effect October 1?

So I looked into this matter and it seems to me that Congress is suffering from a case of amnesia --

Q Mind if we use that? (Laughter)

Q How many in Congress?

Q Go real slow this time. Last time we had to put this together, not as you have it all written out smoothly. (Laughter)

Q Are they whining and whimpering over this amnesia, Ron? (Laughter)

Q What is it they are suffering from? (Laughter)

Q Aphasia?

Q That is the "can do Congress" that is suffering from amnesia. (Laughter)

Q They can suffer. (Laughter)

Q Go right ahead, Ron.

MR. NESSEN: If you look back at the past year you will see that the President has not asked Congress to wait until next October to cut spending. He has been asking Congress to cut spending ever since the beginning of this year. He has done so both in his own budget and in a series of rescissions and deferrals he sent to Congress; specifically, 56 different deferrals and 8 different rescissions.

Now Congress, when it comes back from its latest vacation, rummages around on its desk and finds these rescissions and deferrals. It will have an idea of the kind of places that President Ford has asked for a reduction in the growth of spending going all the way back to January. So this shouldn't come as any great surprise and throw Congress into any position where the chairman of a very important committee says he can't cope with this.

Not only has the President sent up 56 deferrals and 8 rescissions but he has indicated through a series of vetoes some of the other areas where he thinks the growth of Federal spending should be held down.

Now when Congress gets back from its latest vacation, if it rummages around on its desk it will find that, too. So Congress doesn't have any idea where the President wants to hold down Government spending -- that is nonsense. The idea the President is holding off any cuts in Federal spending until after the election is also nonsense. He has been asking for this since January.

Q Do you think the Congress is playing politics with this, Ron?

MR. NESSEN: I refer you to the President's own words the other night in Detroit, I believe it was.

Q Ron, these vetoes --

MR. NESSEN: Or I refer you to the Wall Street Journal, a respectable journal of opinion which says, "Is it playing politics any more to propose a tax cut with a ceiling on the growth of Government spending than it is to pass the tax cut without any ceiling on the growth of Government spending?"

Q Ron, these vetoes, rescissions and deferrals are, are they not, for the current fiscal year, 1976; is that right?

MR. NESSEN: Some of them are -- where is John?

The point is -- in fact, that is a very good point you mention, Jim. The whole idea of beginning to cut back on the growth of Government spending is that it has some effect this year and has some effect next year and it begins to get that curve, that upward curve of Government spending going up at a less sharp angle, which is another answer, I think, to the people who say President Ford has done this for a political reason.

The real benefits of this are going to be showing up in 1980 and 1979 when, as he said, if Congress will go along with his plan the Federal budget will be balanced. The President is dealing with the growth of Federal spending on a long-term basis whereas Congress seems to be unable to give up its habit of spending other people's money.

Q May I ask another question that more or less follows from that?

The position that Mr. Ullman and others have taken is that the new Budget Act prevents Congress on a statutory basis from making cuts in the Federal budget until they have received the Federal budget.

MR. NESSEN: No question about it, and, as I have said every day out here, the President is not asking Congress to now, in October, do a line-by-line budget. They will do that next year. The President is simply asking Congress to do what every single one of us do when we think about next year and our own spending.

You know what your salary will be next year and I know what my salary will be next year, and Congress knows what the country's revenue will be next year. You tell your wife next year we are going to spend --

MORE

Q Let's stop right there. (Laughter)

MR. NESSEN: And maybe you will borrow a couple of thousands of dollars to buy a car, but you don't know what the grocery bill will be for the second week in February, but you do know generally and specifically, in fact, what your level of spending will be next year, because it is tied to what your level of income will be next year. That is one of the primary purposes of this program, to force Congress once and for all to face up to the fact that spending must be related to revenues, that Congress cannot go on spending people's money without any concern about what is coming in to pay those bills.

Q Is the amnesia line the President's?

Q Wait, the "can't do Congress" line was his, where did the amnesia line come from?

Q He forgets. (Laughter)

MR. NESSEN: Bill.

Q Ron, what did the President --

Q Wait a minute, what is the answer?

MR. NESSEN: I don't have the answer to that.

Q Did you discuss this with the President?

MR. NESSEN: Look, Marty, every day you say did I discuss this or did I discuss that. Everything I say here is what I believe to be an accurate reflection of the President's views. That is not just true today about this subject, I hope it is true every day.

Q I have been told the decision was made there must be a tax cut headline per day from the Administration. I would like to know if this is true. That is my first question.

MR. NESSEN: I don't know what you mean by that.

Q That the Administration had decided each day they had to have an offense going, they had to be in headlines attacking Congress for doing nothing --

MR. NESSEN: I don't think the White House decides what gets into the headlines.

Q There were no questions asked on this, you volunteered the information.

MR. NESSEN: That's right, I was trying to answer some of the questions raised last week by people here and people on the Hill.

Q The next question is when you took the job, you stood there and said you did not intend to be a salesman.

MR. NESSEN: Correct.

Q Do you feel this is what you are doing now?

MR. NESSEN: No, I am doing what I consider to be the primary function of a Press Secretary, which is to, on this matter and on all matters, accurately reflect the President's views.

Q Ron, what was the President's reaction --

Q Let Phil finish.

Q Did he tell you to come out and say this today?

MR. NESSEN: I think I probably won't go into the mechanics of how we prepare --

Q You already did.

MR. NESSEN: How we prepare the briefings.

Q You don't see any political significance in this, in what you are doing?

MR. NESSEN: I think some people maybe -- Fred did the other night -- kind of checked with the President to see if I was reflecting his views and the way I read his remarks in Detroit, I was.

Q What was the President's reaction to Senator Humphrey's description of him -- I believe it was as a healthy Hoover? Did he have any reaction to that?

MR. NESSEN: No, he didn't.

Q To follow that up, do you think the spirit of accurately reflecting the President's views has carried over to the Vice President when he talks about aid for New York City?

MR. NESSEN: Could I have the question part of that again?

Q Is Vice President Rockefeller reflecting the President's views when he addressed the Columbus Day audience in New York on the problems of New York City?

MR. NESSEN: The President accurately stated the policy of the Administration the other night in Detroit on this specific point of a Federal bail out for New York City.

Q Was Vice President Rockefeller deviating in emphasis in any way from the President's point of view when he spoke?

MR. NESSEN: I don't think I should really sit in judgment of the Vice President's speech the other night. I am simply saying that the President's policy, the Administration policy is what the President stated in Detroit the other night.

Q Ron, has the Vice President, in his periodic meetings with the President, including the one last week, expressed to the President the view he expressed in New York?

MR. NESSEN: John, I don't sit in on those meetings between the President and the Vice President and so I can't answer that question.

Q How does the President feel about what Mr. Rockefeller said?

MR. NESSEN: Phil, I don't know what I can say beyond the fact that the President stated the Administration policy in Detroit. I would leave that to you to judge.

I would say if you read the Vice President's speech you will see that in a number of places he reiterates the Administration policy --

Q And some he doesn't, is that correct?

MR. NESSEN: -- the fact the Executive Branch doesn't have authority under existing statutes to meet the situation. He also points out at another place that Governor Carey and Mayor Beame and the Emergency Financial Control Board -- have most of you read this speech, incidentally?

Q Yes.

MR. NESSEN: It is interesting to take it in its entirety -- that the Mayor, the Governor and the Emergency Control Board are now facing difficult and politically unpopular decisions involved in restoring fiscal soundness to New York City. Such steps have to be taken to restore confidence and engender outside support.

The President agrees that Mayor Beame and the Governor have knuckled down and are making these tough decisions to restore the fiscal soundness of New York City. It is very tough to do some of these things after 12 or 14 years of the kind of decisions that have been made before. In fact, if there is any lesson for Congress in this, it is that there are those in Congress who have not seen what Mayor Beame and Governor Carey have seen and are not making the same kinds of hard decisions at the Federal level that the Mayor and Governor are making at the city and State level.

The basic hard decision is you need to match revenue with spending, just as any family does. So these Members of Congress --

Q What Mr. Rockefeller is saying is, if New York City can show it can balance its budget by 1978, then the Federal Government, in some way or another, he doesn't specify how, ought to step in in the interim, what he called the bridge, and bail them out somehow between now and then.

Does the President agree with that? That is all we are asking.

MR. NESSEN: If you read the President's remarks in Detroit, you will know the Administration policy.

MORE

#344

Q I read the President's remarks in Detroit. He said he hadn't seen any legislation so far he would approve of. He said he would be inclined to vote against, or approve legislation to help them until after he sees what New York is going to do about balancing the budget.

That brings us back to the original question: Does the President agree with Mr. Rockefeller that if they can balance the budget by 1978 that we should help them in the meantime?

MR. NESSEN: I think what you need to do is read all of what the President said in Detroit the other day --

Q I believe I read all the President said in Detroit, and I was there. I am not asking for a reading guide. I am asking for an answer to a question.

MR. NESSEN: The answer to the question is that what the President said in Detroit is Administration policy.

Q So what Rockefeller said is not Administration policy?

Q So you decline to answer the question; is that it?

MR. NESSEN: I thought that was the question.

Q The President's answer on Friday was not responsive to what the Vice President proposed on Saturday, Ron. It comes down to that.

MR. NESSEN: I think it was.

Q We have events catching up with what the President said on Friday. We have a new factor here and you are not being responsive.

Q Ron, we haven't had the question formulated specifically in the way Vice President Rockefeller laid it out. Now what we are doing is asking the question the way Rockefeller laid it out and we are asking, does the President agree, if New York is able to show it will balance its budget by 1978, then the Federal Government must step in and do something now?

Q Wait a minute. He is searching holy writ.

MR. NESSEN: The answer to your question is -- and I think it is implicit in what the President said the other night although maybe not carried to the degree that you are asking, that if the city and the State do what is needed to restore the financial health and stability and responsibility to the city's affairs, then there is no need for a Federal bail-out.

Q He then says he does not think that the Federal Government must then step in?

MR. NESSEN: I am telling you what the Administration policy is.

Q Has the President talked to Vice President Rockefeller?

Q Ron, it is very clear-cut, it is as plain and simple as you can have it that Rockefeller says then the Federal Government must step in if the city and State have done what is needed to restore financial health and responsibility, and Ford is saying it is not needed?

MR. NESSEN: There would be no need for a Federal bail-out if New York City and State did what was needed to restore --

Q There is a clear distinction between the two positions?

MR. NESSEN: You will need to make that. I am telling you the President's Administration position.

Q I would like to ask you a question, although that obviously takes us somewhat further than we were. I would like to ask you what the President's view of the so-called bridge period is that Mayor Beame and Governor Carey say they need, particularly it is a three-year bridge and the President himself said the Federal budget can't be balanced for three years.

We happen, by coincidence, to have a couple of bridges here, and one bridge he says is a good bridge; the other bridge, at least by implication, he says is a bad bridge.

What I am asking you is, he says, if New York starts the process now of mending its financial affairs, there won't be any need for Federal bail-out. Vice President Rockefeller speaks of a bridge between now and 1978. What is the President's view on the bridge?

MR. NESSEN: Let me go back and ask you, what is the good bridge that the President is proposing?

Q The fact that the Federal Government will balance its budget, the hopes.

MR. NESSEN: That is the point I was trying to make before; that is, Members of Congress who don't see how New York got itself into this mess ought to be doing the same things Mayor Beame and Governor Carey are doing.

Q That is the spilt milk. What do we do now? New York says it needs until 1978 to balance its budget. The President thinks it should balance its budget and clean its fiscal affairs up. Does he agree or disagree that some time will be necessary for New York to do that?

MR. NESSEN: The Administration policy is, if New York City does all that is needed to get its fiscal affairs in order, there would be no need for a Federal bail-out.

Q How long does he think it will take New York, let's put it that way?

MR. NESSEN: As he said the other night in Detroit, he doesn't think it is the proper role of the Federal Government to tell New York City how to manage its affairs. That new board up there seems to be the proper mechanism for doing those things.

Q How does the President feel about the Vice President's departure from the Administration policy?

MR. NESSEN: I don't have anything to give you on that.

Q Did you discuss at all with the President this proposal by Vice President Rockefeller?

MR. NESSEN: You must know the answer to that.

Q Have you heard him characterize it? Have you heard the President characterize or comment on it?

MR. NESSEN: Specifically on the speech Vice President Rockefeller gave the other night?

Q Or this bridge proposal, either one.

MR. NESSEN: I don't know exactly where we are going in that direction, but what I have tried to do is tell you what the Administration's position is.

Q Has the President talked to Rockefeller about it?

MR. NESSEN: Not that I know of.

Q Did he see the speech in advance?

MR. NESSEN: No.

Q Was he surprised by the speech?

MR. NESSEN: I don't know.

Q Does the Vice President have the right to speak for himself?

MR. NESSEN: I think everybody in this Administration does, Helen.

Q Could you ask for tomorrow's briefing what his reaction was to the speech?

MR. NESSEN: His reaction is for me to tell you what the Administration position is on New York City.

Q No, the specific question, was he surprised?

MR. NESSEN: I will ask.

Q Ron, you have continually pointed to New York as a lesson for Congress. If New York goes down the tube financially, won't that be a more emphatic lesson and won't that serve your purpose better as a political issue?

MR. NESSEN: I have never heard New York City discussed as a political issue. It is an economic issue; it is a Constitutional issue. But I have never heard it discussed as a political issue.

Q The President disagrees with Governor Connally that the United States cannot afford to have its greatest city go down the drain, in the Governor's words.

MR. NESSEN: Why is there the assumption that New York City is going to go down the drain?

Q It is just a rumor going around. (Laughter)

Q I don't know where it came from. (Laughter)

Q Everybody is talking about it.

Q It is all over town, Ron. (Laughter)

MR. NESSEN: The fact of the matter is, as we have said here before, the President believes New York City has within its own means the ability to solve its problems and not default on its notes.

Q Ron, can I ask what is going to happen when and if it doesn't?

MR. NESSEN: Why do you go on the assumption it is?

Q We are trying to cover eventualities, Ron.

Q The President has not ruled out, coming to his agreement, to give New York City some special aid, he has not ruled that out, has he?

MR. NESSEN: You mean in addition to the three and a half billion given New York City every year?

Q Right. He is waiting to see various things but he has not ruled it out, right?

MR. NESSEN: I would not accept that. The answer is for New York City and New York State to resolve the financial problems which the President believes they have the means to do. The President believes if they do that, they have no need for a Federal bail out.

Q Right, but then he said--and he didn't go beyond that in Detroit--as I read his remarks and heard him, that he was waiting to see what New York City would do, what the State would do, and what would develop in the way of proposals or bills from Congress.

MR. NESSEN: I didn't quite read it that way.

Q He didn't say he was vetoing anything or he would automatically oppose it, he would wait and see.

MR. NESSEN: I don't see why the burden should fall on some 200 million other people of the United States and he has taken these little votes at the White House Conferences in Omaha and Knoxville --

Q You don't call those votes, do you?

MR. NESSEN: You would have to tell people there that they don't represent the community when they are supposed to represent them.

In any case, that does not really have anything to do with his Administration position.

Q You say he has ruled it out?

MR. NESSEN: He doesn't think the question needs to arise, Dick.

Q Suppose it does arise.

Q That is not for him to say, that is for us to say. If we want to raise the question, we can.

MR. NESSEN: You are absolutely right, but I just don't think you can speculate on something the President doesn't think needs to happen.

Q Ron, while you are telling us about the \$3 1/2 billion that the Federal Government contributes to New York, do you have a figure of how much New York comes through with for the Treasury every year?

MR. NESSEN: It is difficult to say, although we have looked into it. You know some of the corporations have their headquarters in New York City and operations all around the country and so forth and it is difficult to get the comparable figure, although we have tried.

Q Ron, could we go back to this point Dick raised a minute ago. You are saying, in effect, you don't think you can speculate on what might happen if in fact the City went into default?

MR. NESSEN: Yes.

Q Then, in fact, if you can't say that, isn't a lot of what we have here just a lot of rhetoric?

MR. NESSEN: It certainly is not.

Q Let me put it this way. The President is outlining his views, are you saying he intends to stick with them in the event of a default?

MR. NESSEN: There doesn't have to be a default. New York City and New York State have the ability to solve their financial problems.

Q Obviously, there are many other experts who disagree with that prognosis. What I am trying to establish is should the unlikely event occur, is the President firmly enough committed to this view to stick with it in that case?

MR. NESSEN: I am not going to speculate about something the President doesn't believe needs to happen.

Q Ron, if the President believes this is such a simple matter of political courage for New York City and New York State to solve the problems, the money is there and there is really no problem other than the willingness to solve it, then don't you think the President has moral responsibility to lay out this simple program that is currently lying around in the back of his head?

MR. NESSEN: Come on, you know the President cannot get in the position, or should not be in the position of telling New York City what it needs to do. They have this new board which is considering the plan. I guess they have turned down one plan and are waiting for the second plan. That's where the management of New York City is.

Q Does he have any idea what should be done?

MR. NESSEN: He has had some talks with Mayor Beame and Governor Carey, as you know.

Q Has he told them what to do?

MR. NESSEN: They have explored some ideas.

Q Then he has advised?

MR. NESSEN: But it is not the job of the Federal Government to tell New York City how to manage its affairs.

Q Ron, shouldn't Governor Rockefeller have mentioned it to Mayor Lindsay during his 15 years in Albany?

Q They weren't speaking. (Laughter)

Q Can we move from this stonewall to another stonewall, if we are through with this one?

MR. NESSEN: How can you say that is a stonewall?

Q I want to ask you a question the President has not been asked at the last two press conferences.

MR. NESSEN: Oh, oh. I'm in trouble now.

Q Although he has not been asked, he has said something tangentially that refers to this. Is it correct the Soviet Union has agreed to designate all its SS-18 rockets as being multiple warhead rockets? Is there an agreement on this issue?

MR. NESSEN: I don't think I ought to get into the specific negotiations going on now, Jim.

Q Does the President agree with Secretary Kissinger it is likely the SALT agreement will be signed with the Soviets in the next few months, either later this year or early next year?

MR. NESSEN: Secretary Kissinger is the President's chief foreign policy adviser.

Q He is in agreement with him?

MR. NESSEN: The Secretary is in agreement with him.

Q Along those lines, do you still expect Secretary Brezhnev to come to the United States before the end of the year?

MR. NESSEN: I think Secretary Kissinger spoke about that on TV yesterday.

Q Is the President going to any other country on his European trip, or is he going to meet with any other personality or world leader?

MR. NESSEN: I don't have anything on that trip.

Q Is there anything you can do to staunch the flow of rumors that Mr. Callaway is about to resign or be ousted? What is the role of this fellow Spencer, which has been an interesting report?

MR. NESSEN: For the role of Spencer, you need to ask Bo Callaway. As for the President's views on the allegations, you should see his news conference the other night. As for the continuing rumors that Bo Callaway is leaving the committee, it is total nonsense.

Q Ron, Art Sampson, I believe, leaves on Wednesday.

MR. NESSEN: Yes.

Q Are you prepared to announce who is going to replace him permanently or acting?

MR. NESSEN: Not today.

Q When will you have that?

MR. NESSEN: I don't have a timetable for it, Phil.

Q Do you have any comment on Connally saying the President has not preserved enough leadership?

MR. NESSEN: No, I think the President's record speaks for itself.

Q Ron, do you know when the President is going to announce details of the CIA reorganization?

MR. NESSEN: No, I don't. I don't have a date to give you.

Q Is there any time frame? Is it imminent or is there a middle range of time?

MR. NESSEN: I don't have a date.

Q Can I ask, has the NSA stopped intercepting telephone calls of Americans who go abroad?

MR. NESSEN: Have you stopped beating your husband?

Q That is not an answer.

MR. NESSEN: I am not going to be able to say anything about the NSA today.

Q Today, does that mean you will have it tomorrow, the next day or in the future?

MR. NESSEN: I don't have anything I can say today.

Q Is the President aware of these intercepts or does he approve of them?

MR. NESSEN: I don't have anything to say about that today.

Q You have seen the news stories that carry this one step further, this longstanding thing, by giving the names of some people whose telephone conversations that were allegedly monitored by the NSA in clear violation of the law, I might add. Is the President aware of these stories in the Washington Post this morning?

MR. NESSEN: He read the Washington Post this morning.

Q Does he have any feeling about the violation of law by the Federal agencies? Is this something he is exercised about from time to time?

MR. NESSEN: I am just not going to be able to talk about the NSA today.

Q You keep saying today.

MR. NESSEN: I would think that --

Q Go on.

Q Would you think this would be included in his recommendations with respect to the CIA -- are they going to be broader and cover other intelligence operations and activities?

MR. NESSEN: I think we will have to wait and see how they come out, Jim.

Q Why do you keep using the word "today"?

MR. NESSEN: It is today, and I don't have anything to say about NSA today.

Q Will you have something to say in the future?

MR. NESSEN: I haven't any way of speculating, Helen.

Q How can you stand there and say you have nothing to say today? I think we are willing to wait another day or two, if that is what you are asking us to do.

MR. NESSEN: Maybe I should change all those answers to say I have nothing to say about the NSA.

Q Does that mean you are going to leave these stories hanging fire throughout the world? That, I guess, Constitutional abuses may go on?

MR. NESSEN: I don't have anything to say on the NSA today.

Q Why not?

Q This is extraordinarily sensitive, Ron.

MR. NESSEN: You are absolutely right.

Q We have intercepted that message, we understand.

MR. NESSEN: I would only say as a very casual and personal comment, as a former journalist -- I guess I won't.

Q Ron, we want you to feel free to stand up there and unburden yourself in any personal comments as well as official comments. Go right ahead.

MR. NESSEN: What else have we got?

Q Do you have a confession, Ron?

MR. NESSEN: No, I don't. Is that the right church for that? Maybe I need extreme unction. (Laughter)

Q Does the President have plans to meet with the President of Syria on his European trip?

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

Q Is he trying to see him or is anything in the works?

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

Q When we put it that way, is the President particularly preoccupied at the present time over the possible process along the Israeli-Syrian-Palestinian border at the time by the mandate of the UN forces will have to be replaced? Is he considering any initiative in that respect?

MR. NESSEN: I think everybody is going to go see the cosmonauts and the astronauts in the Rose Garden.

THE PRESS: Thank you, Ron.

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